

Terms of Business

Definitions

“We”, “us” and “our” all refer to Hydramation Ltd.

1 Acceptance

These conditions shall form the sole and exclusive basis of every contract of sale entered into by us unless excluded or varied with our written consent. These conditions supersede all prior communications, agreements or understandings. In the event of any conflict between these conditions and any terms or conditions stated on any Purchase Order these conditions shall govern and control.

2 Price and charges

Unless expressly specified to the contrary, all prices of goods, whether quoted, printed or published electronically, are ex-works and exclusive of duties, taxes, packing, freight, postage, insurance, port rates, offloading, installation or any other costs. Installation and commissioning shall be quoted only at the specific request of the customer. Cases, containers, bottles, packages and packing materials are chargeable and not returnable.

All prices and charges are subject to revision at any time in the event of any increase in costs caused by circumstances beyond our control and we reserve the right to revise prices and charges for goods affected by any such increase and remaining to be dispatched.

No introductory or other commission or discount will accrue to trade houses, agents, representatives, distributors or other companies without our prior written consent.

3 Quotations and invoices

All prices are quoted in UK pounds sterling. We will gladly provide non-binding parallel quotations in other currencies on the understanding that if a customer desires billing in a currency other than UK pounds sterling, conversion of the sterling invoice amount to the other currency will be effected at the exchange rate prevailing on the day on which the corresponding order is received and the converted invoice amount may therefore differ from the non-sterling quotation.

We reserve the right to amend any accidental errors and omissions in quotations and invoices. Subject to the provisions of Clause 2 above, quoted prices will be held firm for thirty days.

Any complaint by a customer relating to an invoice must be notified to us by the customer in writing within fourteen days of the date of invoice.

4 Orders

When an order is placed, all relevant information must be given regarding delivery address, import licences (if applicable), shipping marks and instructions as to route and preferred method of dispatch. No order whether or not based upon quotation shall be binding on us unless accepted by us in writing.

5 Delivery

Whilst every effort will be made to adhere to delivery dates, we shall have no liability for any delay in deliveries howsoever caused or for any non-delivery caused by circumstances beyond our control.

6 Shortages or errors

No claim shall be entertained for shortages or errors unless notified to us in writing by the customer within three days of receipt of the goods.

7 Amendments or cancellation

Customer's amendments to an order can only be accepted by agreement. We reserve the right to refuse to accept any amendment once work on the order has commenced.

The customer shall have no right to cancel an order. Cancellations may only be made at our absolute discretion and with our written agreement. If a customer desires to cancel an order, that customer shall be liable to pay the full invoice amount or as much thereof as we deem

reasonable in the circumstances and in any case our full charges for all work carried out by us or on our behalf or for which we are liable to our subcontractors up to and including the date on which we receive notification in writing of such desire to cancel.

8 Responsibility

Whilst every effort is made to ensure that goods manufactured or supplied by us are fit for the purpose for which they are purchased, no warranty is made for the adequacy, suitability or fitness for purpose of such goods in any particular application. It shall be the purchaser's sole responsibility to ensure that such goods meet their requirements and are correctly specified at the time of ordering. We shall in no case be liable for any loss of output, revenue or any other losses or costs, consequential or otherwise, howsoever incurred, directly or indirectly associated with the purchase or use of any such goods.

9 Warranty

We will repair or replace any goods or parts thereof manufactured by ourselves in respect of which defects arising solely from faulty materials or workmanship are notified to us in writing within twenty-four months of the date of dispatch from our warehouse, provided that

(a) the goods have been used at all times for the purpose for which they were designed and in accordance with any instructions given by us in respect of them,

(b) notice is given to us within seven days of the defect(s) becoming apparent and

(c) where appropriate, the defective goods are returned to us at the customer's expense,

and in any case we shall not be liable for any defect attributable to accident, neglect, misuse and/or incorrect, faulty or negligent installation or operation.

In respect of goods or parts thereof not manufactured by ourselves, the total extent of our liability will be to pass on to the customer the benefit of any guarantee or warranty received by us from the manufacturer insofar as such guarantee or warranty shall be capable of assignment. Any other conditions or warranties whether express or implied by statute or otherwise are excluded to the full extent that such exclusion does not conflict with current relevant legislation.

10 Repairs

We shall not be liable for any damage to articles sent to us for repair or examination, nor for any incidental damage to delicate instruments or glassware in the course of repair. Time involved in the preliminary examination of an article may be charged in the event of no repair being required or ordered.

Goods returned for repair must be sent carriage paid and be clearly labelled with the sender's name and address. At the same time a letter should be sent detailing the work required. We reserve the right to refuse acceptance of any goods used by the customer until we have received a duly completed Health and Safety Certificate (our document reference: C03-01-003) in respect of each item returned.

11 Insurance

Where goods are insured by us at our discretion or at the customer's request the appropriate charges shall be added to the invoice. In the event of a claim our liability under the insurance shall be limited to the amount received by us from the insurer or the value of the goods, whichever is the less, from which we may deduct our expenses. We shall be under no liability to undertake proceedings for recovery of loss or damage.

12 Drawings or sketches

We reserve the right to charge for the preparation of any drawings or sketches required for or during the course of the execution of an order. All such drawings or sketches shall remain our property.

Terms of Business (continued)

13 Illustrations and specifications

Catalogues and other illustrations and specifications are subject to alteration without notice. Such illustrations and specifications are not binding and are only intended to represent generally the type of goods offered as, owing to development, improvement and change of design and manufacture, equipment delivered may not conform to them in detail. Names, addresses and trade marks on illustrations indicate ownership of the artwork.

14 Copyright

We retain full copyright in the entire content and layout of all catalogues, websites, drawings, specifications, technical material and product or other literature published by us. No literature, catalogue, datasheet or other material produced by us may be reproduced, stored in a data retrieval system, transmitted, published or used in whole or in part, in any form or by any means, without our prior written permission.

15 Confidentiality

1. The customer shall treat and consider all designs, drawings, specifications, formulae and any and all other information furnished to the customer ("Confidential Information") as strictly confidential. In particular the customer shall not:

(a) disclose or reveal any part of the Confidential Information to any persons except those directly involved in the purchasing decision for whom such disclosure is essential, in which case such disclosure shall extend only to that part of the Confidential Information as may be absolutely necessary in each individual case, and

(b) use any part of the Confidential Information for any purpose other than to verify the adequacy of the specification of the goods to be ordered.

This condition shall apply to any person to whom any part of the Confidential Information is disclosed and shall survive the cancellation, termination or completion of any order.

16 Ownership of goods

The goods shall remain our property until the full invoice amount has been paid to us. The full invoice amount shall not be treated as paid until we have received cleared funds in our appointed bank or at such other place as we may direct.

The risk in the goods shall pass on delivery to the purchaser or the carrier, whichever is the earlier.

17 Damage or loss in transit

We accept no liability for damage or loss in transit unless

(a) in the event of damage in transit, the customer gives notice to the carrier and ourselves within three days of receiving the damaged goods; or

(b) in the event of a whole consignment failing to arrive, the customer gives notice in writing to us within fourteen days of the date of dispatch.

18 Compliance with the Waste Electrical and Electronic Equipment (WEEE) Regulations

Hydramation is registered with the UK Environment Agency as a business-to-business ("B2B") producer and supplier of electrical or electronic equipment ("EEE").

When a product is supplied by us as B2B EEE, we invoke Regulation 12.2 and pass all WEEE obligations to the end user. The "B2B end user", as defined in the WEEE Regulations, is responsible for all liabilities regarding the environmentally sound disposal of any product supplied by us when it is discarded as a WEEE.

We may, for commercial reasons only, offer a take-back option when a B2B end user purchases a new product. This will be decided on a case-by-case basis and may incur a charge.

For local environmentally-sound disposal of WEEE items, the B2B end user should contact Northern Compliance/AVC Weeeco Ltd for a no-obligation quote, citing our Producer Registration Number WEE/DJ2027WU.

19 Terms of payment

(a) New customers (first order)

Unless otherwise expressly agreed the full invoice amount of a first order shall be paid before any goods are dispatched. This condition shall apply to all first orders including those from a parent, subsidiary or associated company of an existing customer.

(b) Existing customers

Providing a satisfactory trading history has been established and maintained, accounts shall generally be for settlement not later than thirty days from the date of invoice for UK sales or, for overseas consignments, thirty days from the date of delivery to the forwarding agent or from the date of shipment, whichever is earlier.

We reserve the right:

- (i) to review the payment terms available to a customer which has not placed an order during the preceding 12 months, and
- (ii) in any case, to modify, withdraw or deny credit facilities at any time at our absolute discretion.

20 Late payment

Monies outstanding beyond the agreed payment terms may be passed out of hand to a Collection Agency and will be subject to a surcharge to cover the cost incurred. Such accounts will also be subject to any other costs incurred in obtaining settlement.

A credit charge of 4% above UK bank base interest rate will be made on any invoice amount not paid by the due date. We reserve the right to vary the rate of interest charged without notice.

21 Insolvency

If the customer ceases to pay its debts in the ordinary course of business or cannot pay its debts as they become due or being a company is deemed to be unable to pay its debts or has a winding up petition issued against it or being a person commits an act of bankruptcy or has a bankruptcy petition issued against him, we without prejudice to other remedies shall

(a) have the right not to proceed further with the contract or any other work and be entitled to charge for materials purchased for the customer as well as any work already carried out whether completed or not, such charge to be an immediate debt due to him/her, and

(b) in respect of all unpaid debts due from the customer, have a general lien on all his/her goods and property in our possession (whether worked on or not) and be entitled on the expiration of fourteen days' notice to dispose of such goods or property in such manner and at such price as we think fit and to apply the proceeds towards such debts.

22 Jurisdiction

Except where otherwise stipulated in writing, the relations arrangements and agreements between the parties shall be governed by the Laws of England and all disputes which may arise under, out of, in connection with or relating to this contract shall be submitted to the arbitration of the London Court of Arbitration in accordance with its Rules for the time being in force. Service of any notices in the course of such arbitration to the addresses of the parties as given in the Contract shall be valid and sufficient.
