

Terms and Conditions

The Customer's attention is particularly drawn to the provisions of clause 10.

1. INTERPRETATION

1.1 Definitions. In these Conditions, the following definitions apply:

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Commencement Date: has the meaning set out in clause 2.2.

Conditions: these terms and conditions as amended from time to time in accordance with clause 13.7.

Contract: the contract between the Supplier and the Customer for the supply of Goods in accordance with these Conditions.

Customer: the person or firm who purchases the Goods from the Supplier.

Delivery Location: has the meaning set out in clause 4.2.

Estimated Delivery Date: the date estimated for delivery of the Goods at the Delivery Location as notified by the Supplier to the Customer when issuing written confirmation of an Order in accordance with clause 2.2.

Force Majeure Event: has the meaning given to it in clause 12.1.

Goods: the goods (or any part of them) set out in the Order.

Goods Specification: any specification for the Goods, including any relevant plans or drawings, that is provided by the Customer to the Supplier.

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection

which subsist or will subsist now or in the future in any part of the world.

Order: the Customer's order for the supply of Goods as set out in the Customer's purchase order form or the Customer's written request for a quotation, or the Customer's written acceptance of the Supplier's quotation, as the case may be.

Supplier: Saraco Engineered Solutions registered in England and Wales with company number XXXXXXXXX.

1.2 In these Conditions, the following rules of interpretation apply :

1.2.1 a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);

1.2.2 a reference to a party includes its personal representatives, successors or permitted assigns;

1.2.3 a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;

1.2.4 any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

1.2.5 a reference to **writing** or **written** includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 The Order constitutes an offer by the Customer to purchase Goods from the Supplier in accordance with these Conditions.

2.2 The Order shall only be deemed to be accepted when the Supplier issues written confirmation of the Order (by email or otherwise) at which point and on which date the Contract shall come into existence (**Commencement Date**).

2.3 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.

2.4 Any samples, drawings, descriptive matter or advertising issued by the Supplier contained in the Supplier's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Goods described in them. They shall not form part of the Contract or have any contractual force.

2.5 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.6 Any quotation given by the Supplier shall not constitute an offer, and is only valid for a period of 60 Business Days from its date of issue.

2.7 All of these Conditions shall apply to the supply of Goods

3. GOODS

3.1 The Goods are as described in the Supplier's catalogue as modified by any applicable Goods Specification.

3.2 To the extent that the Goods are to be manufactured in accordance with a Goods Specification supplied by the Customer, the Customer shall indemnify the Supplier against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by the Supplier in connection with any claim made against the Supplier for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the Supplier's use of the Goods Specification. This clause 3.2 shall survive termination of the Contract.

3.3 The Supplier reserves the right to amend the Goods Specification if required by any applicable statutory or regulatory requirements.

4. DELIVERY OF GOODS

4.1 The Supplier shall ensure that:

4.1.1 each Delivery is accompanied by a delivery note which shows the date of the Order, all relevant Customer and Supplier reference numbers, the type and quantity of the Goods (including the code number of the Goods, where applicable), special storage instructions (if any) and, if the Order is being delivered by instalments, the outstanding balance of Goods remaining to be delivered; and

4.1.2 if the Supplier requires the Customer to return any packaging material to the Supplier, that fact is clearly stated on the delivery note. The Customer shall make any such packaging materials available for collection at such times as the Supplier shall reasonably request. Returns of packaging materials shall be at the Supplier's expense.

4.2 The Supplier shall deliver the Goods to the location specified by the Customer in the Order which has been accepted by the Supplier (**Delivery Location**)

4.3 Delivery of the Goods shall be completed on the Goods' arrival at the Delivery Location (**Delivery**).

4.4 The Estimated Delivery Date is approximate only, and the time of Delivery is not of the essence. The Supplier shall not be liable for any delay to the Estimated Delivery Date that is caused by a Force Majeure Event or the Customer's failure to provide the Supplier with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods.

4.5 If the Supplier fails to deliver the Goods, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. The Supplier shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event or the Customer's failure to provide the Supplier with adequate delivery instructions for the Goods or any relevant instruction related to the supply of the Goods.

4.6 If the Customer fails to accept or take delivery of the Goods within 10 Business Days of the Supplier notifying the Customer that the Goods

are ready, then except where such failure or delay is caused by a Force Majeure Event or by the Supplier's failure to comply with its obligations under the Contract in respect of the Goods:

4.6.1 Delivery shall be deemed to have been completed at 9.00 am on the second Business Day following the day on which the Supplier notified the Customer that the Goods were ready; and

4.6.2 the Supplier shall store the Goods until Delivery takes place, and charge the Customer for all related costs and expenses (including insurance).

4.7 If 10 Business Days after the Supplier notified the Customer that the Goods were ready for delivery the Customer has not accepted delivery of them, the Supplier may resell or otherwise dispose of part or all of the Goods.

4.8 The Customer shall not be entitled to reject the Goods if the Supplier delivers up to and including 5 per cent more or less than the quantity of Goods ordered, but a pro-rata adjustment shall be made to the Order invoice on receipt of notice from the Customer that the wrong quantity of Goods was delivered.

4.9 The Supplier may deliver the Goods by instalments, which may be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in Delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

5. MANUFACTURE AND QUALITY OF GOODS

5.1 The Supplier shall manufacture and supply the Goods in accordance with all generally accepted industry standards and practices that are applicable.

5.2 The Supplier warrants that on Delivery, and for a period of 1 year from the date of Delivery (Warranty Period), the Goods shall:

5.2.1 conform with their description and any applicable Goods Specification;

5.2.2 be free from material defects in design, material and workmanship;

5.2.3 be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Supplier; and

5.2.4 comply with all applicable statutory and regulatory requirements.

5.3 Where the customer specifies wood the Supplier reminds the Customer that wood is a natural material and, depending on the species, may have greater or lesser variation in tone, colour and grain pattern, or imperfections including, but not limited to knots, checks and shakes. These features are inherent to the material used and do not usually represent a defect in quality.

5.4 The Supplier shall obtain and maintain in force until the expiration of the Warranty Period all licences, permissions, authorisations, consents and permits needed to manufacture and supply the Goods in accordance with the terms of this agreement.

5.5 The Supplier shall comply with all applicable laws, enactments, orders, regulation and other instruments relating to the manufacture, marking, storage, handling and delivery of the Goods.

5.6 Subject to clause 5.7, if:

5.6.1 the Customer gives written notice in writing during the Warranty Period within 7 days of discovery that some or all of the Goods do not comply with the warranty set out in clause 5.1; and

5.6.2 the Supplier is given a reasonable opportunity of examining such Goods the Supplier shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full.

5.7 The Supplier shall not be liable for the Goods' failure to comply with the warranty in clause 5.1 if:

5.7.1 the Customer makes any further use of such Goods after giving a notice in accordance with clause 5.6;

5.7.2 the defect arises because the Customer failed to follow the Supplier's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice;

5.7.3 the defect arises as a result of the Supplier following any drawing, design or Goods Specification supplied by the Customer;

- 5.7.4 the Customer alters or repairs such Goods without the written consent of the Supplier;
 - 5.7.5 the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions;
 - 5.7.6 the Goods differ from the Goods Specification as a result of changes made to ensure they comply with applicable statutory or regulatory standards.
- 5.8 Except as provided in this clause 5, the Supplier shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.
- 5.9 The terms of these Conditions shall apply to any repaired or replacement Goods supplied by the Supplier under clause 5.6.
- 6. TITLE AND RISK**
- 6.1 The risk in the Goods shall pass to the Customer on completion of Delivery.
- 6.2 Title to the Goods shall not pass to the Customer until:
- 6.2.1 the Supplier receives payment in full (in cash or cleared funds) for the Goods, and any other goods or services that the Supplier has supplied to the Customer in respect of which payment has become due, in which case title to the Goods shall pass at the time of payment of all such sums.
- 6.3 Until title to the Goods has passed to the Customer, the Customer shall:
- 6.3.1 store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Supplier's property;
 - 6.3.2 not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
 - 6.3.3 maintain the Goods in satisfactory condition and keep them insured against all risks for their full price on the Supplier's behalf from the date of Delivery;
 - 6.3.4 notify the Supplier immediately if it becomes subject to any of the events listed in clause 11.4.1 to clause 11.4.12; and
- 6.3.5 give the Supplier such information relating to the Goods as the Supplier may require from time to time.
- 6.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 11.4.1 to clause 11.4.12, then, without limiting any other right or remedy the Supplier may have:
- 6.4.1 the Customer's right to resell Goods or use them in the ordinary course of its business ceases immediately; and
 - 6.4.2 the Supplier may at any time:
 - 6.4.2.1 require the Customer to deliver up all Goods in its possession which have not been resold, or irrevocably incorporated into another product; and
 - 6.4.2.2 if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.
- 7. CHARGES AND PAYMENT**
- 7.1 The prices for Goods shall be the prices provided by the Supplier when issuing written confirmation of an Order in accordance with clause 2.2 of this contract or, if no price is quoted, the prices for Goods set out in the Supplier's published price lists as at the date of Delivery. The price of the Goods is exclusive of all costs and charges of packaging, insurance, transport of the Goods.
- 7.2 The Supplier reserves the right to increase the price of the Goods, by giving notice to the Customer at any time before Delivery, to reflect any increase in the cost of the Goods to the Supplier that is due to:
- 7.2.1 any factor beyond the control of the Supplier (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
 - 7.2.2 any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, or the Goods Specification; or

any delay caused by any instructions of the Customer in respect of the Goods or failure of the Customer to give the Supplier adequate or accurate information or instructions in respect of the Goods.

7.3 The Supplier shall invoice the Customer for the Goods on or at any time after completion of Delivery.

7.4 The Customer shall pay each invoice submitted by the Supplier within 30 working days of the date of invoice. Time for payment shall be of the essence of the Contract.

7.5 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable from time to time (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of Goods.

7.6 If the Customer fails to make any payment due to the Supplier under the Contract by the due date for payment, then the Customer shall pay interest on the overdue amount at the rate of 4% per annum above Barclays Bank PLC's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

7.7 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding except as required by law. The Supplier may, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Supplier to the Customer.

8. INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property Rights in or arising out of or in connection with any Goods produced by the Supplier (whether to a Goods Specification provided by the Customer or otherwise) shall belong to the Supplier.

9. CONFIDENTIALITY

A party (**receiving party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (**disclosing party**), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 9 shall survive termination of the Contract.

10. LIMITATION OF LIABILITY: THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THIS CLAUSE

10.1 Nothing in these Conditions shall limit or exclude the Supplier's liability for:

10.1.1 death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;

10.1.2 fraud or fraudulent misrepresentation;

10.1.3 breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession);

10.1.4 breach of the terms implied by section 12 of the Sale of Goods Act 1979 (title and quiet possession); or

10.1.5 defective products under the Consumer Protection Act 1987.

10.2 Subject to clause 10.1:

10.2.1 the Supplier shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any

- loss of profit, or any indirect or consequential loss arising under or in connection with the Contract ; and
- 10.2.2 the Supplier's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the value of the Contract.
- 10.3 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and the terms implied by sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.
- 10.4 This clause 10 shall survive termination of the Contract.
- 11. TERMINATION**
- 11.1 Subject to clauses 11.2 and 11.3, without limiting its other rights or remedies either party may terminate the Contract at any time prior to Delivery by giving the other party not less than 6 weeks' written notice.
- 11.2 Termination by the Customer may be subject to a minimum charge of 25% of the value of the Order at the discretion of the Supplier.
- 11.3 The Customer shall not be entitled at any time after the Order has been accepted by the Supplier in accordance with clause 2.2 to terminate this Contract (or any part of it) where any bespoke Goods are to be manufactured or supplied by the Supplier in accordance with a Goods Specification provided by the Customer.
- 11.4 Without limiting its other rights or remedies, each party may terminate the Contract with immediate effect by giving written notice to the other party if:
- 11.4.1 the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case,
- 11.4.2 the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
- 11.4.3 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the other party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the other party with one or more other companies or the solvent reconstruction of that other party;
- 11.4.4 the other party (being an individual) is the subject of a bankruptcy petition or order;
- 11.4.5 a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
- 11.4.6 an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
- 11.4.7 the holder of a qualifying charge over the assets of the other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- 11.4.8 a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- 11.4.9 any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject

that has an effect equivalent or similar to any of the events mentioned in clause 11.4.1 to clause 11.4.8 (inclusive);

11.4.10 the other party suspends, threatens to suspend, ceases or threatens to cease to carry on, all or substantially the whole of its business;

11.4.11 the other party's financial position deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or

11.4.12 the other party (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.

11.5 Without limiting its other rights or remedies, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment.

11.6 Without limiting its other rights or remedies, the Supplier may suspend all further deliveries of Goods under the Contract or any other contract between the Customer and the Supplier if the Customer fails to pay any amount due under this Contract on the due date for payment, the Customer becomes subject to any of the events listed in clause 11.4.1 to clause 11.4.12, or the Supplier reasonably believes that the Customer is about to become subject to any of them.

11.7 On termination of the Contract for any reason:

11.7.1 the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Installation Services supplied but for which no invoice has yet been submitted, the Supplier shall submit an invoice, which shall be payable by the Customer immediately on receipt;

11.7.2 the Customer shall return all of the Supplier Materials and any Goods which have not been fully paid for. If the

Customer fails to do so, then the Supplier may enter the Customer's premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;

11.7.3 the accrued rights and remedies of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry; and

11.7.4 clauses which expressly or by implication have effect after termination shall continue in full force and effect.

12. FORCE MAJEURE

12.1 For the purposes of this Contract, **Force Majeure Event** means an event beyond the reasonable control of the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Supplier or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

12.2 The Supplier shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.

12.3 If the Force Majeure Event prevents the Supplier from providing any of the Goods for more than 8 weeks, the Supplier shall, without limiting its other rights or remedies, have the right to terminate this Contract immediately by giving written notice to the Customer.

13. GENERAL

13.1 Assignment and other dealings

13.1.1 The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and

may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.

13.1.2 The Customer shall not, without the prior written consent of the Supplier, assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

13.2 Notices

13.2.1 Any notice or other communication given to a party under or in connection with this Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier, fax or e-mail.

13.2.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 13.2.1; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by by fax or e-mail, one Business Day after transmission.

13.2.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action

13.3 Severance

13.3.1 If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any

modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

13.3.2 If any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

13.4 **Waiver** A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

13.5 **No partnership or agency.** Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, nor constitute either party the agent of another party for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

13.6 **Third parties.** A person who is not a party to the Contract shall not have any rights to enforce its terms.

13.7 **Variation.** Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions shall be effective unless it is agreed in writing and signed by the Supplier.

13.8 **Governing law.** This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

13.9 **Jurisdiction** Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).