

## HMK Automation Group Limited Conditions of Sale

### 1. WORDS AND PHRASES

In these conditions:

- "CUSTOMER'S EQUIPMENT" means the equipment or material belonging to you, or for which you request us to provide the Supply.  
"SUPPLY" or "SUPPLIES" means the engineering services, goods and associated supplies as set out in our quotation or other agreed documents or discussions between us.  
"We", "us" and "our" mean H.M.K. Technical Services Limited and its subsidiaries. "You" and "your" mean the person or company to which we are providing the Supply.

### 2. INCORPORATION OF CONDITIONS

- Any contract or arrangement for Supplies made between you and us shall be subject to these conditions, and any terms you put forward do not apply.
- All other terms and conditions which might be implied by conduct or a previous course of dealing or trade custom are excluded from this contract.
- No amendment or change shall be made to these conditions of business except by contract in writing signed by one of our directors.

### 3. QUOTATIONS/PRICES

- Our quotation provides an indication to you of the terms on which you may place an order, but no order from you as a result of a quotation (or otherwise) shall be binding upon us unless and until it is accepted or confirmed by us.
- A quotation is made on the assumption that the specification or work requested is reasonably capable of being provided. If this is found in our opinion not to be the case, we will advise you as soon as reasonably practicable, and may offer you reconditioned or new goods on terms to be agreed (or service exchange, if available). Our prices are based on the assumption that material you supply is of satisfactory quality and free from defects.
- If you give a general instruction for repairs without specifying the particular service or replacement parts, we will be entitled to carry out such repairs, modifications or service as in our opinion are necessary to put the Customer's Equipment in good working order, and to make an appropriate charge for the work and parts provided.
- Provided your order is placed within thirty days of the date of the quotation, the price contained in the quotation shall be fixed unless the quotation states otherwise. If your order is not placed in that period, then if any change shall occur after that in the costs of any materials, labour, transport or other items, including overheads which we have to pay or incur for the performance of the contract, then you will pay the resultant increased price.
- If performance and delivery are postponed at your request or by circumstances within your control you will pay all resulting costs and expenses we incur.
- We will charge for all work carried out at your request, whether exploratory or otherwise and, in particular, we reserve the right to instruct our employees or agents to work overtime to comply with your delivery requirements in which case we may charge you the cost of such overtime.
- The contract shall be conditional on you procuring any export licence required for the export of the goods from the United Kingdom prior to the date of delivery.

### 4. WORK ON SITE

If the Supplies are to be provided on your premises or at your request at some other site we will need free and safe access to the Customer's Equipment, together with proper and safe storage and protection of all goods, tools, plant and equipment and materials we have on site. We may also require preparatory work and additional facilities to provide the Supplies. You will observe and comply with the latest Health and Safety at Work legislation and obtain all necessary consents and licences and ensure that the site is safe and without risk to the health and safety of all persons working there; and you will hold us harmless against all legal and regulatory proceedings, costs and charges in respect of your failure to do so.

### 5. PAYMENT

- Payment on credit terms is only available to customers who have completed HMK account forms and have an approved credit limit.
- If a credit account has been approved by HMK and is operated within its credit limit, we will issue an invoice for the full amount due on completion of the Supply unless otherwise agreed with you. Invoices are due for payment 30 days net monthly. In all other cases, a proforma invoice will be issued, due for immediate payment. All payments will be in Pounds Sterling. Supply is deemed to be when goods are despatched or on notification from us that they are ready for despatch.
- Unless otherwise agreed, overseas orders must be covered by a confirmed irrevocable letter of credit drawn on a London clearing bank prior to commencement of work.
- If any payment is overdue, we shall be entitled without prejudice to any other right or remedy to suspend all further deliveries on any contract between us without notice and/or charge interest on any amount overdue at the rate of 4% per annum above the base rate from time to time of HSBC Bank plc compounding monthly.
- Goods shall remain our property until you have made full and unconditional payment to us of all sums due.
- Unless indicated otherwise, all sums payable under this contract are stated exclusive of Value Added Tax (which will be charged at the rate prevailing at the relevant tax point) and any other tax or duty chargeable under any relevant legislation.

### 6. DESIGNS, DRAWINGS, SOFTWARE AND SPECIFICATIONS

- You shall be responsible for the completeness and accuracy of any designs, specifications and other data which you or your employees or agents supply to us and which we use in connection with the Supply, even if we examine, inspect or comment upon them. You will hold us harmless against any liability to a third party which we may incur as a result of carrying out the Supply in accordance with your instructions or your designs, drawings, specifications or other data.
- Any technical information, data or software we supply as part of the Supply or as part of any prior discussions (including, without limitation, any know-how, drawings, specifications, software or other documents disclosed by us) shall to the extent that it has been generated by or for us shall be "Our Information". You shall treat Our Information as confidential and not disclose it to any person except with our consent and only use it in relation to the Supply. This obligation shall not apply to such of Our Information that is: (a) in the public domain (except through any breach of a confidentiality obligation); (b) required to be used or disclosed by law but only to the extent required by law.

- All recommendations and advice given without charge, whilst given in good faith and with due care, are given without responsibility on our part.
- Any software we provide as part of a Supply is licensed only for use on hardware supplied by HMK Technical Services Ltd, or its approved subcontractor.

### 7. WARRANTY

- All products are backed by a 12 month, return to base ( Congleton, UK ) repair warranty.
- Unless we have arranged or agreed to do so, you will accept full responsibility for installing, examining and testing the goods or Customer's Equipment on which we have worked as soon as it is delivered and we shall not be responsible for any damage, cost or loss incurred by you due to your failure to properly install or delay in testing the goods or Customer's Equipment or in notifying us of any defect.
- In the absence of any special arrangements to the contrary, it is your responsibility to ensure that the supplies ordered are sufficient and suitable for your purposes.
- You accept that any other warranties and conditions implied by common law or statute are excluded to the extent permitted by law.

### 8. DELIVERY

- Although we will endeavour to provide the Supplies within the time specified, no liability can be accepted for delays in delivery for whatsoever reason unless specifically agreed in writing.
- A charge will be made for additional tests or trial runs carried out at your request. Test certificates will be provided if required.
- Unless otherwise agreed, Supplies are provided 'ex works' without packaging and you are responsible for transportation. We will at your request and expense arrange carriage and insure the goods or Customer's Equipment against normal transit risks. In the event of loss or damage in transit our responsibility shall be limited to passing on the benefit of insurance. We and the carriers must be notified of such damage or loss within seven days of delivery. It is your responsibility to examine the goods or Customer's Equipment immediately on receipt.
- Unless otherwise agreed, the loading or off-loading of goods or Customer's Equipment on collection or delivery shall be arranged by you and performed at your sole expense and risk.
- If goods or Customer's Equipment are to be sent abroad, you will be responsible for obtaining any import license required for the country to which such equipment is to be dispatched.

### 9. LIMITATION OF LIABILITY

- We accept that we are liable for any death or personal injury resulting from our negligence or the negligence of our employees or agents acting in the course of their employment. In relation to defects in goods sold to you by us, we may also be liable under the Consumer Protection Act 1987 or equivalent legislation, but only to the extent that such liability cannot lawfully be excluded.
- Apart from our contract to rectify any defects or errors in the Supply and to replace or repair the Customer's Equipment or goods where there is loss or damage to goods in transit as set out above:
  - our maximum liability to you for direct loss or damage, either under this contract or arising from any act or omission, including negligence, will not exceed the total amount paid by you under this contract, or such higher sum as a court may specify as reasonable up to a limit of £100,000; and
  - we will not be liable to you under any circumstances for any other loss including loss of contracts or loss of profits or loss of production or any indirect or consequential losses.
- We disclaim any responsibility for failure due to defects of material you supply. Whilst proper care is taken with your material, no liability whatsoever can be accepted in respect of material supplied to us, should it be accidentally spoiled, other than we agree to re-work replacement material supplied by you free-of-charge.
- Whilst proper care is taken with Customer's Equipment and free issue parts, our liability in the event of accidental damage or loss thereto whilst at our works or in transit in our vehicles is limited to £10,000. We are not liable for any cause of loss or damage outside our reasonable control.
- The limitations and exclusions in this paragraph apply to any claim, whether in contract, tort (including negligence), breach of any statutory duty or implied term or any other claim.
- The limitations and exclusions in these conditions reflect the value of this contract to us and are considered to be reasonable. If you require us to accept greater liability we may be prepared to do so subject to agreement of an additional charge to reflect the increased risk and cost of insurance to us.

### 10. UNFORESEEN EVENTS

We will not be liable to you for any failure to perform our obligations under this contract where that failure results from any cause outside our reasonable control, including but not limited to natural occurrences, disruption of power supplies, the actions of third parties or industrial action, or from government advice against travel to site.

### 11. TERMINATION OF THIS CONTRACT

- We may bring this contract to an end if you fail to comply with your obligations under this contract, within seven days of having been notified by us of the relevant failure. We may also bring this contract to an end immediately if you are the subject of a petition for a bankruptcy order, or you become insolvent or enter into any composition, scheme or arrangement with your creditors. If you are a corporation or other legal person, we may bring this contract to an end immediately if a receiver (including an administrative receiver) is appointed over any of your assets or an application is made to appoint an administrator for you. If you are in partnership, we may bring this contract to an end immediately if the partnership is dissolved. We may also terminate this contract if any proceedings relating to your insolvency are commenced in any country.
- If this contract ends for any reason, we will be entitled to remove all of our equipment from your premises or from site. You will remain liable to us for any sums which you have not paid, for all Supplies provided up to the date of termination and for any other breaches of this contract.

### 12. DISPUTES

- Any dispute which we cannot settle amicably relating to the nature or quality of the Supply will be referred to an expert to be agreed or (if we and you cannot agree the choice of expert within 14 days of an expert being proposed by you or us) appointed at the request of you or us by the President for the time being of the Institute of Engineering & Technology (IET).
- The written report of the expert will as between you and us be conclusive evidence of all matters of fact and all matters of opinion set out in the report and the charges of the expert shall be borne and paid as the expert may direct.
- Any other dispute (except action to secure payment which we may at our option pursue in the courts local to you) will be determined by reference to the Courts of England and you irrevocably submit to the exclusive jurisdiction of such courts.

### 13. GENERAL

- You will not assign your rights under this contract without our express written approval. We may sub-contract the provision of certain of the Supplies at our discretion. No third party shall acquire any rights under this contract except as specifically stated in these conditions.
- Any express or implied waiver by us of any failure by you to perform your obligations under this contract will not prevent the subsequent enforcement of those obligations. Similarly any waiver we give will not be taken to be a waiver of any subsequent failure by you to perform that or any other obligation.
- This contract constitutes the entire agreement between us relating to the Supply and overrides any prior correspondence or statements relating to the Supply (including any statements or representations in any advertisements or literature produced by us relating to the Supply).
- If any provision of this contract is ruled to be invalid for any reason that invalidity will not affect the rest of this contract which will remain valid and enforceable in all respects.
- This contract is governed by English law.

### 14. STORAGE

If goods are not despatched within 14 days of notification that they are ready for despatch, you shall take delivery and arrange for storage. If you do not take delivery or arrange for storage we shall be entitled to arrange for storage at our works or elsewhere on your behalf and all charges for storage, insurance or demurrage shall be payable by you.