WELWYN
TOOL GROUP

CONDITIONS OF SALE

DEFINITIONS

In these Conditions:

"Goods" means the goods, services or any part thereof agreed to be supplied by the Company

"Company" means Welwyn Tool Group Ltd.

"Buyer" means the person, firm or company, who accepts a quotation of the company for the sale of the Goods, or whose order for the Goods is accepted by the Company.

"Contract" means the contract for the sale and purchase of the Goods

1. PRICES

1.1 Unless otherwise negotiated, orders are accepted by the Company at the prices ruling at the date on which the order is received. But in exceptional circumstances, if the Company is faced with cost increases outside its control in the period between receipt and despatch of order, the Company reserves the right to revise its prices after receipt of order.

1.2 Where prices/discounts are quoted for annual (or other periodic) quantities and the quantity quoted is not taken up in the due time, the Company reserves the right to charge retrospectively the difference in price between the quoted price and the price applicable to the lower quantity actually taken.

1.3 All prices are normally quoted exclusive of VAT which will be charged wherever applicable.

2. CARRIAGE & PACKING CHARGES

2.1 Carriage and packing costs are charged (except for large value orders as may be specified from time to time) over and above the quoted prices of goods.

2.2 Goods will be despatched by such method as the Company judges best unless the Buyer specifically requests a particular method of delivery, in which case the service will be charged at a price quoted by the Company.

2.3 The Company reserves the right to deliver the Goods in more than one shipment and to tender a separate invoice in respect of each installment.

3. SMALL ORDERS

The Company reserves the right to set minimum order values as may be specified on its price lists or as may be separately negotiated with the Buyer.

4. RECEIPT OF GOODS

The company will not accept responsibility for loss or damage in transit unless carriers terms and conditions are strictly complied with. All goods should be signed for by the Buyer according to the condition in which they are received. If for any reason Goods are not delivered, or are received damaged, or in unsatisfactory condition or deficient in quantity or weight, then notifications must be made to the carriers and to the Company in writing within 14 days of date of despatch.

The Company must be advised of the following information:

(I) Number of packages received
(ii) Weight of each package
(iii) Details and quantities of items contained in each package
(iv) Delivery note/invoice details

Goods and packaging received damaged should be retained for examination.

5. RETURNED GOODS

5.1 Faulty Goods

Any claim for faulty goods must be made in writing within 14 days of the despatch date. No goods may be returned to the Company without the written authorisation of the Company, and if such authorisation is granted the goods must be returned carriage paid.

5.2 Other Returned Goods

Excepting under 5.1 above, any Goods which are correctly supplied by the Company in accordance with an order from the Buyer, will only be accepted back by the Company if the Goods are unused and as new and subject to a handling charge of 20% of the value of the Goods excluding VAT. The Goods must be returned carriage paid.

6. CREDIT TERMS

Two commercial and one bankers reference are required by the Company before the Company can offer the Buyer credit terms. Credit terms are conditional upon the acceptance of the Buyer of the company's settlement terms (see below 7), and may be withdrawn without notice if the settlement terms have not been adhered to. If credit terms have not been agreed the Company can supply only on the basis of cash against a proforma invoice.

7. SETTLEMENT TERMS

7.1 The Company's terms of payment require payment at the end of the month immediately following the month in which the relevant invoice is dated.

7.2 The company reserves the right to suspend deliveries where full payment has not been received in accordance with clause 7.1 above.

7.3 Without prejudice to clause 7.2 above the Company reserves the right to charge interest on overdue payments at a rate of 3% above the current lending rate of HSBC, such interest to be charged on a monthly basis for each month or part thereof by which the payment is overdue.

8. RISK & OWNERSHIP

(a) Goods delivered by Welwyn Tool Group Ltd (the Company') shall remain in the Company's legal and beneficial ownership until full payment has been received by the Company for them but shall be at the risk of the intending purchaser as soon as they are delivered by the Company to the intending purchaser's vehicle or premises or to its order.

(b) The risk in goods sold passes to the Buyer on delivery, but the title or property in the goods remains vested in the Company until the purchase price of the order, of which they form part, is paid in full, each order being considered as a whole. Meanwhile the Buyer shall keep the goods separately identifiable and hold them as bailee for the Company under the obligation to deliver them up to the Company at any time if so required.

9. LIABILITY

Except in respect of death or personal injury caused by the negligence of the Company the Company shall not be liable to the Buyer for any direct loss arising from the acceptance of the Buyer's order, the Goods or the use thereof. The Company shall not be liable to the Buyer for any consequential loss or damage (whether for loss of profit or otherwise) costs, expenses or other claims for consequential compensation whatsoever (and whether caused by the negligence of the Company, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods their use or resale by the Buyer.

10. FORCE MAJEURE

The Company shall rot be liable to the Buyer in respect of failure to deliver or perform or delay in delivering or performing any obligations under the order accepted from the Buyer due to causes such as acts of God, fire, flood, war and civil disturbances or riot, acts of government, currency restriction. labour disputes, unavailability of materials. failure of supplier or sub-contractor to deliver on time, and every other circumstance outside the reasonable control of the Company

11. INSOLVENCY OF BUYER

11.1 This clause applies if:

11.1.1 the Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction):

11.1.2 an encumbrancer takes possession, or a Receiver is appointed, of any of the property or assets of the Buyer; or the Buyer ceases, or threatens to cease, to carry on business; or

11.1.3 the Company reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.

11.2 If this clause applies then, without prejudice to any other right or remedy available to the Company, the Company shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer, and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.