

ALCO VALVES CONDITIONS OF SALE

1. PARTIES

In these conditions the above named Company is referred to as "the Company" and the person, firm or Company placing the order of otherwise dealing with the Company as "the Customer" and reference to any control or terms or conditions is a reference solely to the conditions set out below.

2. BASIS AND APPLICATION OF CONDITIONS

(i) All prices quoted by the Company are based upon these conditions and are fixed by reference to the scope of the Company's rights and liabilities in the contract. In the event of any Customer wishing to Contract with the Company otherwise than on the basis of such conditions, special arrangements can be made and a revised price quoted by the Company.

(ii) In the absence of any such special arrangement, (which shall not bind the Company unless made in writing and signed on the Company's behalf by a person duly authorised for that purpose) all quotations given and all contracts made by the Company and any additions or amendments thereto shall be subject to these conditions which supersede and shall override any terms or conditions proposed or stipulated or relied upon by the Customer.

(iii) No order from the customer shall be binding upon the Company until the customer has received from the Company an appropriate acknowledgement of order on the Company's printed form duly signed on the Company's behalf by a person authorised for that purpose, which shall constitute the Company's acceptance of the order.

3. PRICES

(i) Prices are subject to alteration without notice by the Company at any time.

(ii) Unless otherwise agreed in writing, orders are accepted by the Company on condition that delivery will be made at the price current at the date of despatch.

(iii) All prices quoted by the Company are exclusive of Value Added Tax, unless otherwise stated.

(iv) Unless otherwise agreed in writing, all goods are despatched by the Company on an "ex-works" basis. The Company reserves the right to charge carriage and packing as extra.

4. QUOTATIONS

(i) Unless otherwise agreed in writing, all quotations given by the Company shall be valid for a period of 30 days only from the date thereof.

(ii) The Company reserves the right to accept the order at the current price should a price change have occurred during the 30 day period.

(iii) All goods quoted "ex-stock" are subject to prior sale.

(iv) The Company reserves the right to correct at any time stenographic or clerical errors contained in any quotation.

5. DELIVERY AND COMPLETION

The Company will use its best endeavours to adhere to any time or date given for the despatch or delivery of goods or for the commencement or completion of work but any such time or date whether specified in the contract or otherwise given by the Company shall be taken only as an estimate made in good faith and shall not be binding upon the Company either as a term of the contract or otherwise. In no circumstances shall the Company be liable for any loss damage, however caused, sustained by the Customer in consequence of any failure by the Company to adhere to such times or dates, or in consequence of any other delay in despatch, delivery, commencement or completion. Delivery may be made by instalments at the sole discretion of the Company.

6. DRAWINGS AND DESCRIPTIONS

(i) Under no circumstances shall any contract be deemed to be a contract description.

(ii) All illustrations drawings or other representations accompanying any quotation from the Company or contained in the Company's price lists, advertisements or other literature shall be regarded as approximate representations only.

(iii) All specifications, descriptions or particulars of goods offered by the Company are stated in good faith as being approximately correct but the Company shall not be liable for deviations there from however arising, nor shall deviations in any way invalidate any contracts between the Company and the Customer in respect of such goods.

(iv) All drawings and copies of drawings are the Company's copyright and may not be copied or distributed without the express permission of the Company in writing given by a person authorised for that purpose.

(v) The Company reserves the right to update and amend any specification of goods without notice to the purchaser.

(vi) If the goods are supplied according to the Customer's drawings or specifications, the Customer shall indemnify the Company against any claims and any costs, expenses or liability of the Company or action or infringement of any patent, trade mark, registered design, copyright or other industrial property, right of any third party in respect of their manufacture or repair by the Company.

7. CANCELLATIONS

The Customer shall indemnify the Company for all storage and other costs incurred by the Company as a result of the Customer's failure to accept delivery of the goods delivered at the Customer's premises during normal business hours at a time previously agreed by the Customer. The Company may dispose of any goods after 30 days from the date of delivery should the customer fail or refuse to take delivery of goods.

8. GOODS RETURNED FOR CREDIT

Returned goods will only be accepted by the Company after agreement and subject to a minimum handling charge of 10% of the sale price and by the allocation of a returned goods number, to ensure identification of goods at all stages of receipt and inspection. If such agreement is reached, the Company will accept the return of standard, current products in a clean, re-saleable condition, subject to these goods being returned to us delivered free to our works. The goods will be inspected upon receipt and credit will be allowed depending upon the condition as received, such credit being entirely at our discretion.

9. PASSING OF PROPERTY AND RISK

(i) Until all monies due to the Company have been paid by the Customer, the goods shall remain the sole and absolute property of the Company as legal and equitable owner.

(ii) In the event of delivery of the goods being made to the customer prior to the passing of title, the Customer shall be in possession of the goods solely as bailee for the Company until such time as the title has passed pursuant to Clause (i) above.

(iii) Notwithstanding that title to the goods shall remain with the Company, the goods shall be at the risk of the Customer as soon as

they are delivered by the Company to the premises or otherwise to the order of the Customer. The Customer will insure to their full value any goods wherein the risk, but not the title, has passed to it and indemnify the Company for loss, damage to or destruction of any such goods. Or any insurance monies payable in respect of such goods shall be held in trust for the Company.

(iv) Until the title to the goods shall pass as aforesaid:

(a) The Customer shall store and label the goods in such a manner that they shall at all times remain separate from the other goods in the Customer's possession and be readily identifiable as the Company's goods.

(b) The Company agrees to permit the Customer to dispose of the goods in the course of its business as agent of the Company and to pass title to the goods to its Customer, being a bona fide purchaser for the value without notice of the Company's rights provided that such permission may be revoked at any time by notice by the Company.

(c) Without prejudice to the provisions of sub-clause (i) above, the Customer consents to the use of the goods by the Customer in the assembly of some other goods incorporating the goods, notwithstanding that title in the goods shall not have passed to the Customer, provided that such assembly does not result in the goods being changed by any manufacturing process and the goods may be recovered by disassembly of the goods assembled. In the event of the goods becoming incorporated in assembled goods, the provisions contained in clauses (i), (ii) and (iii) of this clause shall apply to the storage the re-taking and the sale and proceeds of sale of the assembled goods so that the Company's rights shall not in any event be extended beyond the ownership of the goods forming a part of the assembled goods and the right to re-take the goods (without liability for any loss to the Customer resulting from the disassembly of the assembled goods) and to so much of the proceeds of sale thereof as is attributable to the goods.

(v) If the Customer has not received payment for a disposal under sub-clause (i) above, the Customer shall upon notice in writing by the Company, assign to the Company all its rights against its Customer in respect of that disposal.

10. DIVERSION

The Company reserves the right to divert orders to its official stockists or distributors without prior notification of the Customer.

11. TERMS OF PAYMENT

(i) Unless otherwise agreed in writing, all accounts are monthly and strictly net, and are due for payment by the end of the month following the month of despatch. If despatch is delayed as a result of a Customer's inability to take delivery or otherwise at the request of the Customer, payment shall be made by the end of the month following that in which the Customer is notified that the goods are ready for despatch.

(ii) If the price of any part thereof remains unpaid after the date of payment, the amount unpaid shall bear interest at the rate of 4% over the Bank of England Base Rate for each month or part thereof during which the same amount remains unpaid.

(iii) Unless otherwise agreed in writing, goods for delivery abroad must be paid for in full before shipment.

(iv) Notice of all payments made by Trader's Credit must be given to the Company within two days of the date of payment. (v) Where any sum I owed by the Customer to the Company, the Customer shall not be entitled to exercise any right of set-off or lien against the Company.

12. LOSS OR DAMAGE IN TRANSIT

(i) In the event of its assuming responsibility for all or part of the carriage of goods the Company shall not be liable for any loss of, or damage to such goods while in transit unless written notice thereof is given to the Company by the Customer.

(a) In the case of loss from or damage to goods delivered to the Customer within three days of the date of delivery.

(b) In the case of non-delivery of goods, within 21 days of the date upon which the Customer is notified that the goods have been consigned for delivery.

Provided that if the Customer provides:

(a) That it was not reasonably possible for him to give such notice to the Company within the appropriate period and

(b) Notice was given within a reasonable period, the Company shall not be entitled to rely upon the time limits stipulated by this condition.

(ii) Any liability which the Company may incur for the loss or damage to goods while in transit shall in any event be limited to the invoice value of the goods and in no circumstances shall the Company be liable for any indirect or consequential loss, however caused.

(iii) The customer shall inspect the goods immediately on delivery. If the Customer shall not give notice in accordance with sub-clause (i)(a) above, the goods shall be conclusively presumed to have been accepted by the purchaser.

13. TESTING

The Company will provide facilities to the Customer for the inspection and testing of goods at the Company's works prior to despatch, normally such facilities will be provided free of charge. Special test or test/inspection in the absence of the buyer or his representative, unless otherwise agreed, must be made at our works and will be charged for, as will test/inspection made of necessity by independent organisations.

14. GUARANTEE

(i) GOODS: The Company will, at its option, replace, repair or refund the full purchase price upon the return of goods which are, or within twelve months of delivery become defective by reason of provable faulty materials or workmanship, provided that the customer has notified the Company in writing of the defect within one month of the occurrence of the defect.

(ii) WORK: Where the contract provides for the execution of work, the Company will at its own expense make good any defect in such work, attributable to provable bad workmanship or the use of unsatisfactory materials which occurs and becomes apparent within twelve months of the completion thereof, provided that the Customer has notified the Company in writing of the defect within one month of the defect becoming apparent.

15. EXCLUSION OF LIABILITY

(i) The above guarantee is given by the Company and accepted by the Customer in substitution for any rights which the Customer might otherwise become entitled to assert against the Company, its servants or agents;

(ii) By virtue of any express or implied representation, condition or warranty, statutory or otherwise as to

(i) the quality of the goods and

(ii) the standard of the Company's workmanship and the quality of any material supplied in connection therewith and all such conditions are hereby expressly excluded.

(b) In negligence or otherwise in tort arising out of or in connection with the supply of any goods or materials to or to the order of the Customer or for the execution of any work for the Customer and all such liability however arising is hereby expressly excluded. Provided that nothing in this condition shall excuse the Company from any liability which it may incur for personal injury resulting from negligence.

(ii) Except for any such liability as it may incur for death or personal injury resulting from negligence, the Company shall not be liable in any manner whatsoever, whether under this contract or in tort, in misrepresentation or otherwise for any indirect or consequential loss, damage or injury however caused which may arise out of or in connection with the supply of goods or materials to or to the order of the Customer or the execution of any work for the Customer.

(iii) The Company shall not be liable for any injury or damage arising out of any non-compliance with any requirement imposed by or under enactment or with any obligation arising under the Treaty of Rome or from any of the organs of the European Community, save insofar as this provision expressly contradicts Section 7 Consumer Protection Act 1987.

(iv) In no case shall the Company's liability exceed £1,000.00.

(v) The Company shall be entitled to the benefit in full of the defences and protections provided by Sections 4 and 5 Consumer Protection Act 1987 or to any extension or variation of that legislation.

(vi) Notwithstanding Section 7 Consumer Protection Act 1987, the Company reserves the right to claim an indemnity or contribution against the Customer in respect of any liability which may accrue to it under the Consumer Protection Act 1987.

(vii) In this condition the words "goods" "material" and "work" shall include goods and materials supplied and work executed under the guarantee.

16. ADVICE

The Company shall be under no liability whatsoever in respect of any advice given or views expressed to the Customer whether or not such advice or such views are expressed at the Customer's request.

17. DEFAULT OF THE CUSTOMER

If the Customer shall make default in the punctual payment of any sum due to the Company under the contract or if any distress or execution may be levied upon the Customer's assets or if the Customer shall make or offer to make any arrangement or composition with creditors or commit any act of bankruptcy or if any petition or receiving order in bankruptcy is made or presented against the Customer or if the Customer is a limited Company and resolution or petition to wind-up its business (other than for the purposes of amalgamation or reconstruction) shall be passed or presented or if a receiver or administrator of such Company's assets or any part thereof shall be appointed, the Company shall be entitled to determine the contract with the Customer without prejudice to any other claims or rights which the Company might possess.

(ii) Upon the determination of the contract by the Company and in the event of the Customer defaulting in the punctual payment of any sum due to the Company thereunder or upon the occurrence of any of the events specified in paragraph

(i) of this condition the Customer's right under condition 9 hereof to sell goods for which full payment has not been made shall forthwith cease and the Company shall be entitled to take possession of all such goods in the possession or under the control of the Customer for which purpose the Customer authorises the Company, its servants or agents to enter upon any land or premises on or in which such goods may be situated.

18. LIEN

The Company shall have a lien over all goods of the Customer in the Company's possession not only for monies due in respect of such goods but also for any other monies due from the Customer to the Company, if any monies due from the Customer to the Company remain unpaid at the expiry of six months after notice has been given that such goods are being detained the Company shall thereupon have the irrevocable authority of the Customer to sell the goods by public auction or otherwise and to apply the proceeds of sale (after deducting the expense thereof) in discharge of the Customer's indebtedness and thereafter account to the Customer for any balance remaining.

19. FORCE MAJEURE

The Company shall be relieved of all or any of its obligations under the contract to the extent that performance of such obligations is affected as a result of any statute, regulation or order of any Government, Council or other authority or any strike, lock-out or trade dispute (whether involving the Company's employees or other parties) or any other cause whether or not of a like or similar nature beyond the Company's control.

20. DISPUTES

Should any question arise as to the interpretation of this agreement and/or the parties rights thereunder or as to any order placed by the Customer with the Company, the same shall be subject to and constructed in accordance with English law. The parties hereto submit to the jurisdiction of the English Courts. At its own option, the Company may elect to refer such question to arbitration by a Judge of the Commercial Court as an arbitrator sitting with or without assessors as he shall direct.

21. EXPORT SALES

It is hereby agreed between the parties that the uniform law on international sales and the United Nations Convention on international sale of goods shall not apply to any contract pursuant to these conditions.

22. GENERAL

(i) Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing, addressed to the Company at its Registered Office marked for the attention of the Company Secretary and the purchaser at its Registered Office or principal place of business or such other address as may at the relevant time have been notified to the Company pursuant to this provision.

(ii) If any provision of these conditions is held by any competent authority to be invalid or unenforceable in whole or in part the invalidity of these conditions and the remainder of the provisions in question shall not be affected thereby.

(i) No granting of time by the Company or any other failure by the Company to enforce any of these terms and conditions shall be construed as a waiver to any extent of its rights hereunder.