

# L.C. SWITCHGEAR LTD.

## Conditions of sale of goods for use in the United Kingdom or for shipment abroad, exclusive of erection.

1. **GENERAL** Save where otherwise expressly agreed in writing these Conditions govern all offers by and transactions of sale of goods with L.C. Switchgear Limited. ('The Company').
2. **DURATION OF OFFERS**- Any offer by the Company may be withdrawn at any time before acceptance and, unless otherwise stated shall lapse if not accepted within 90 days from the date thereof.
3. **ACCEPTANCE**- Offers by the Company may only be accepted in writing and such acceptances shall only become effective on delivery at the Company's office whence the offer was made. The Purchaser shall at or before the time of acceptance provide the Company with all information required to enable it to proceed with the Contract.
4. **PRICE** -Unless otherwise stated, the price in any offer by the Company is based on the current cost of material ,labour, transport and of conforming to statutory obligations ruling at the date of the offer and is subject to adjustment for any increase or decrease in these costs occurring subsequently.
5. **DRAWINGS AND INSTRUCTIONS**-Drawings prepared by the Company for its guidance in manufacture shall remain the property of the Company. Such instruction Books and/or drawings as may be provided for the Purchasers guidance in the use and maintenance of the goods will be in accordance with the Company's standard practice. The supply of specially prepared instruction books or drawings to the Purchaser's own requirements is not included and will be charged extra.
6. **TEST**-Goods manufactured by the Company are inspected and subjected to its standard tests. If special tests or tests in the presence of the purchaser or its representative are provided for in the Contract, these must be at the Company's works or at a place nominated by the Company and will be charged for as an extra. In the event of any delay by the Purchaser or its representative in attending such tests, after seven days prior notice, the tests will proceed and shall be deemed to have been made in the Purchaser's or its representative's presence.
7. **DELIVERY**- Save as otherwise expressly agreed in writing delivery shall be ex works the Company's factory and current Incoterms shall apply to all trade used with reference to delivery.
8. **TIME FOR DELIVERY**-Times quoted for delivery shall be estimates, not legally binding contractual dates. If a contractual delivery date is agreed or becomes a term of the contract by operation of law such term shall not become of the essence and the sole legal liability of the Company for failure to meet such date shall, if the Purchaser suffer loss thereby, be to pay to the Purchaser liquidated damages of 0.2% of the Contract value of the Goods in delay for each week of such delay but the total sum so payable shall not exceed 5% of the Contract value of such goods. Save as expressed in this clause the Company shall have no liability whatsoever for any delay in delivery. Should delivery be hindered or delayed by the Purchaser's instructions or lack of instructions or by force majeure, irrespective of whether such event occurred after the time or extended time for delivery, such delay shall be added to the time for delivery. For the purpose of this clause force majeure shall include industrial disputes (whether official, unofficial or political and whether affecting the Company, its sub-contractors or sub-suppliers) and any cause whatsoever beyond the Company's reasonable control, including but without limitation, civil commotion's, war, fire or accidents. Any additional costs incurred by the Company caused by the Purchaser's instructions or lack of instructions shall be added to the Contract price.
9. **STORAGE**- If the Company does not receive forwarding instructions sufficient to enable despatch to be made within fourteen days after notification that goods are ready for despatch the Purchaser shall be deemed to have taken delivery and the Company shall arrange for storage at the cost of the Purchaser.
10. **RISK AND TITLE**- The risk in the goods shall pass to the Purchaser on delivery. Title in the goods shall pass upon payment of the full Contract price.
11. **PERFORMANCE**- The Purchaser assumes responsibility for the capacity or performance of the goods being sufficient for their intended use.
12. **GUARANTEE**- The Company undertakes to replace or, at its option repair any goods or parts thereof of its manufacture supplied which under proper use are found to be non-compliant with warranty, defective in material , workmanship or design (other than a design furnished or specified by the Purchaser) within twelve months of despatch from its works. This undertaking is subject to the prompt return to the Company's works, at Purchaser's cost, of the defective goods or parts. The Company shall not be liable for the cost of removal of the defective part or the cost of fitting the new repaired part. Goods not manufactured by the Company, whether supplied in accordance with the Purchaser's specification or otherwise, are specifically excluded from the terms of this guarantee and the Company cannot accept liability for their satisfactory operation. The benefit of such warranties as are given to the Company in respect of such goods will be passed to the Purchaser. The undertakings of the Company in this clause constitute its sole and total legal liability (whether in contract, tort or under Statute) for defects in goods supplied
13. **CANCELLATION BY THE PURCHASER**- The Purchaser shall not be entitled to cancel any Contract except by the express written agreement of the Company.
14. **TERMINATION BY THE COMPANY**- The Company shall be entitled to terminate any Contract forthwith by written notice to the Purchaser (without prejudice to its right to claim moneys owing and damages for breach) if the Purchaser shall:-
  - (a) become insolvent.
  - (b) fail to pay any amounts falling due (whether under these conditions or otherwise) to the Company within 28 days of the date the payment is due.
  - (c) suffer the appointment of a Receiver, Administrator or Liquidator.
  - (d) pass a resolution for winding up (other than for bona fide purposes of amalgamation or reconstruction).
  - (e) commit a breach of any term of the Contract or any other contract with the Company.
15. **INDUSTRIAL PROPERTY RIGHT**- The Purchaser shall indemnify the Company against:-
  - (a) all claims whatsoever in respect of infringements of any letters patent registered designs, trademarks, copyrights or any other right of any kind arising out of any drawings, design or instructions supplied given or approved by or on behalf of the Purchaser.
  - (b) any claims for patent infringement based on the use of the goods for a purpose other than that stated in, or reasonably to be inferred from, the Contract. The Company warrants that to the best of its knowledge and belief the use of the goods for the purposes other than those excluded by sub-clause (b) above will not infringe any industrial property right as aforesaid but makes no other warranty.
16. **LIMITATIONS OF LIABILITY**-Save as may be comprised in any liability to pay liquidated damages under clause 8 ( Time for Delivery) the Company shall not be liable for any act or omission committed in connection with or arising out of the Contracts whether in contract, tort or for breach of statutory duty and whether directly or by way of indemnity for any sum exceeding the purchase price of £100,000 sterling shall be the lesser, nor for any claim for loss of use (partial or total), loss of profits or loss of contracts. The limitations of liability in this clause shall not extend to liability for death or personnel injury occasioned by negligence as defined in the Unfair Contract Terms Act 1977.
17. **LAW**- The Contract shall be deemed to be a contract made in England and shall be construed according to the Law of England.

### ADDITIONAL TERMS APPLICABLE TO GOODS SOLD IN THE UNITED KINGDOM

18. **PACKING**- Unless otherwise agreed packing in accordance with the Company's standard practice, for destinations within the United Kingdom is included. Any additional requirements of the Purchaser will be charged for.
19. **TERMS OF PAYMENT**- All prices are strictly net. Payment shall be made within 30 days from date of despatch of the goods from the Company's works or from date of delivery whichever is the earlier. Interest shall be payable on any amount not received on due dates at the company's bank then current base rates plus two per cent per annum. Amounts withheld by reason of dispute but subsequently agreed shall also be subject to interest charges at the same rate.

### ADDITIONAL TERMS APPLICABLE TO GOODS SOLD FOR SHIPMENT ABROAD

20. **IMPORT AND EXPORT LICENCES**- The Purchaser shall obtain and shall produce evidence of the grant of Export and Import Licences where either or both are required. The Company reserves the right not to commence work on any Contract until the necessary Licences have been obtained. Failure on the part of the Purchaser to obtain such Licences shall release the Company from the obligation to supply. In the event of work having commenced and any such licence not being obtained , being revoked or modified, the Purchaser shall take delivery of and pay for such goods as are manufactured or partly manufactured and cannot be shipped by reason thereof.

### ADDITIONAL TERMS APPLICABLE TO GOODS SOLD TO PURCHASERS OUTSIDE THE UNITED KINGDOM

21. **PACKING**- Unless otherwise specified all packing will be charged extra.
22. **TERMS OF PAYMENT**- All prices are strictly nett. Payment shall be made in London England in Sterling on presentation of shipping documents(or in the event of goods being stored in accordance with clause 9, warehouse receipts)against an irrevocable Letter of Credit confirmed by a London bank to be provided to the Company within one month from the date of acceptance of the Company's offer. The Letter of Credit must provide for payment against part shipments.
23. **ARBITRATION**- All disputes arising in connection with the Contract shall be finally settled by arbitration in London England under the Rules of Conciliation and Arbitration of the international Chamber of Commerce by a single arbitrator appointed in accordance with the rules.