

## Terms and Conditions of Sale

### Lowe Electronics Ltd

#### CLAUSE 1. GENERAL

1. All quotations whether verbal or in writing are made and all orders are accepted subject to the following Terms and Conditions, which shall govern the contract to the exclusion of any other Terms and Conditions subject to which any quotation is purported to be accepted or any order is purported to be made, by you.
2. No variation to these Conditions shall be binding unless agreed in writing between the Parties.
3. No waiver by us of any breach of the contract by you shall be considered as a waiver of any subsequent breach of the same or any other provision.
4. If any provision of these conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these conditions and the remainder of the provision in question shall not be affected thereby.

#### CLAUSE 2. ORDERS AND QUOTATIONS

1. Unless previously withdrawn, all quotations are open for acceptance for thirty days only from the date of the quotation, and are made subject to confirmation at the time of such acceptance.
2. No order submitted by you shall be deemed to be accepted by us unless and until confirmed in writing by our authorised representative.
3. The acceptance of our Tender, or placing of an order by you, must be accompanied by sufficient information to enable us to proceed with the order forthwith, otherwise we may amend the Tender prices to cover any increase in costs which has taken place after acceptance.
4. Any samples submitted by us must be returned to us, carriage paid, within one month of the date of despatch by us, or paid for.
5. No order which has been accepted by us may be cancelled by you except with our agreement in writing and on terms that you shall indemnify in full against all loss (including loss or profit), costs (including cost of all labour and materials used), damages charges and expenses incurred by us as a result of cancellations.

### CLAUSE 3. SPECIFICATION

1. All technical details, descriptive and forwarding specifications, illustrations, drawings and particulars of weights and dimensions issued by us are typical and approximate only and are intended to present a general idea only of the goods to which they refer, and none of them will form part of the Contract.
2. We reserve the right to make any changes in the specification of the goods which are required to conform with any applicable safety or other statutory requirements or, where the goods are to be supplied to your specification, which do not materially affect their quality or performance.
3. If the goods are to be manufactured or any processes to be applied to the goods by us in accordance with the specification submitted by you, you shall indemnify against all loss, damages, cost and expenses awarded against or incurred by us in connection with or paid or agreed to be paid by us in settlement of any claim for infringement of any patent, copyright design, trademark or other industrial or intellectual property rights of any other person which results from our use of your specification.
4. Any specification supplied by us to you in connection with the contract of sale, together with the copyright, design rights or any other intellectual property rights in the specification shall be our exclusive property. You shall not disclose to any third party or use any such specification except to the extent that it is or becomes public knowledge through no fault of yours, or as required for the purpose of the contract.

### CLAUSE 4. PRICE

1. We reserve the right, by giving notice to you at any time before delivery, to increase the price of the goods to reflect any increase in the cost to us which is due to any factor beyond our control (such as, without limitation, any foreign exchange fluctuation, currency regulation, alternation of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the goods which is requested by you, or any delay caused by your instructions or your failure to give us adequate information or instructions.
2. Unless otherwise agreed in writing our prices do not include delivery charges. Where we agree to deliver the goods other than at our premises you shall pay our charges for transport packaging and insurance.

## CLAUSE 5. PAYMENT TERMS

5.1 Payment shall be due by the last day of the month following the month during which the goods are invoiced to you.

5.2 If you fail to make any payment on the due date then, without prejudice to any other right or remedy available to us, we shall be entitled to:

5.2.1 cancel the contract or suspend any further deliveries to you:

5.2.2 appropriate any payment made by you to such of the goods (or the goods supplied under any other contract between you and us) as we may think fit (notwithstanding any purported appropriation by you): and

3. charge you interest (both before and after any judgement) on the amount unpaid, at the rate of 4% per annum above the National Westminster Bank base rate from time to time or the statutory rate of interest payable on judgement debts, whichever is the greater.

## CLAUSE 6. DESPATCH AND DELIVERY

1. We will use best endeavours to despatch goods on the dates given but any such dates are approximate only and we shall not be liable for any delay in despatch and delivery however caused, neither shall any such delay entitle you to refuse or postpone acceptance of any subsequent delivery to be made under the terms of these Conditions.

2. Scheduled deliveries can only be agreed during a period commencing no sooner than one month and terminating no later than 12 months from the date of the order. At least 30 days written notice is required of any modification or suspension of scheduled deliveries. Any suspension will be limited to a maximum period of 3 months after which deliveries may be resumed at the former rate.

3. If you fail to take delivery of the goods or fail to give us adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond your reasonable control or by reason of our fault) then without prejudice to any right or remedy available to us, we may:

6.3.1 Store the goods until actual delivery and charge you for the reasonable costs (including insurance) of storage, and charge you also interest as provided in clause 5.2.3 above on the delayed payment until such payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest).

- OR

6.3.2 Sell the goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to you for the excess over the price under the Contract or charge you for any shortfall below the price under the Contract.

1. When the price quoted includes delivery we will repair or replace free of charge goods damaged in transit provided the carriers and ourselves receive written notification of such damage within three days of delivery, but not otherwise and provided the packaging and contents have been retained for inspection by Carriers inspection. See Clause 11 for Export Conditions.
2. Shortage claims will only be considered if the Carrier and ourselves receive written notification of such shortage within three days of delivery, but not otherwise.
3. Once delivered no goods may be returned to us without our prior written consent.

#### CLAUSE 7. TESTS

1. Our goods are carefully inspected and, where practicable, submitted to our standard tests at our works before despatch. If special tests or tests in the presence of you or your representative are required, these, unless otherwise agreed, must be made at our Works and will be charged for in addition to the Contract price, and in the event of any delay on your part in attending such tests after seven days notice that we are ready, the tests will proceed in your absence, and shall be deemed to have been made in your presence.

#### CLAUSE 8. RISK AND PROPERTY

1. Risk of damage to or loss of the goods shall pass to you:  
  - 8.1.1 In the case of goods to be delivered at our premises: at the time when we notify you that the goods are available for collection.

OR

- 8.1.2 in the case of goods to be delivered otherwise than at our premises, at the time of delivery, or of you wrongfully fail to take to take delivery of the goods, the time when we have tendered delivery of the goods.
2. Notwithstanding delivery and the passing of risk in the goods, any other provision of these conditions, the property in the goods shall not pass to you until we have received in cash or

cleared funds payment in full of the price of the goods and all other goods agreed to be sold by us to you for which payment is then due.

3. Until such time as the property in the goods passes to you (and provided the goods are still in existence and have not been re-sold), we shall be entitled at any time to require you deliver up to the goods to us and, if you fail to do so forthwith, to enter upon any premises of you or any third party where the goods are stored and repossess the goods.

## CLAUSE 9. WARRANTIES AND LIABILITIES

1. No liability can be accepted for any failure of the goods to perform according to any performance figures given.
2. Subject to Clause 9.1 and to the conditions set out in Clause 9.4 we warrant that the goods will be free from defects in material and workmanship for a period of twelve months only from the date of despatch. In the case of certain products, this warranty period is limited to 90 days only from the date of despatch.
3. The warranty in Clause 9.2 above is given subject to the following conditions:

9.3.1 Any claim by you which is based on any defect in the goods shall be notified to us within 7 days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable period after discovery of the defect. If you do not so notify us, you shall not be entitled to reject the goods and we shall have no liability for such defect, and you shall be bound to pay the price as if the goods had been delivered in accordance with the Contract.

9.3.2 Where any valid claim based on any defect in the goods is notified to us in accordance with clause 9.3.1 above, we shall be entitled to repair or replace the goods (or the part in question) free of charge or, at our sole discretion, refund to you the price of the goods (or a proportionate part of the price), but we shall have no further liability to you.

9.3.3 We shall be under no liability in respect of any defect in the goods arising from any drawing, design or specification supplied by you.

9.3.4 We shall be under no liability under the above warranty (or any other warranty, condition or guarantee) if the total price for the goods has not been paid by the due date for payment.

9.3.5 The above warranty does not extend to parts, materials or equipment not manufactured by us, in respect of which

you shall only be entitled to benefit of any such warranty or guarantee as is given by the manufacturer to us.

9.3.6 Any claim under the above warranty must be made in writing and the goods in question must be refunded to us within the 3 month period, suitably packaged, carriage paid and accompanied by proof of purchase and details of the nature of the alleged defect. We shall be under no liability under the above warranty if these conditions are not complied with.

4. Except as expressly provided in these Conditions, all warranties, condition or other terms implied by statute or Common Law are excluded to the fullest extent permitted by law.
5. Except in respect of death or personal injury caused by our negligence, we shall not be liable to you by reason of any representation, or implied warranty, condition or other term, or any duty at Common Law, or under the express terms of the Contract, or any consequential loss of damage, costs, expenses or other claims for consequential compensation whatsoever which arise out of or in connection with the supply of the goods or their use or resale by the Buyer, except as expressly provided in these conditions.

#### CLAUSE 10. INSOLVENCY OF BUYER

1. This clause applies if:
  - 10.1.1 you make any voluntary arrangement with your creditors or become subject to an administration order or become bankrupt to go into liquidation (otherwise than for the purposes of amalgamation or reconstruction):  
  
OR
  - 10.1.2 an encumbrancer takes possession, or a receiver is appointed, of any of your property or assets: or
  - 10.1.3 you cease, or threaten to cease, to carry on business:  
or
  - 10.1.4 we reasonably apprehend that any of the events mentioned above is about to occur in relation to you and notify you accordingly.
2. If this clause applies then, without prejudice to any other right or remedy available to us, we shall be entitled to cancel the contract or suspend any further deliveries under the contract without any liability to you, 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.

## CLAUSE 11. EXPORT CONDITIONS

1. Where the goods are supplied for export from the United Kingdom, the provisions of this Clause 11 shall apply in addition to and, in case of conflict, to the exclusion of the other Clauses hereof.
2. We reserve the right not to supply certain customers or countries and to require full details of intended use and final destination of the goods.
3. You shall be responsible for complying with any legislation or regulations governing the export of goods from the United Kingdom and importation of goods into the country of destination and for the payment of any duties taxes or other expenses in connection therewith.
4. We shall be under no obligation to give Notice under Section 32 (3) of the Sale of Goods Act 1979.
5. Unless otherwise agreed, payment is due on delivery. Goods shall be deemed to have been delivered when the invoice has been presented in the United Kingdom accompanied by appropriate documents of title.
6. We reserve the right to charge VAT at the ruling rate until you provide proof of export of the goods from the United Kingdom.
7. You shall be responsible for arranging for testing and inspection of the goods at our premises before shipment. We shall have no liability for any claim in respect of any defect in the goods which would be apparent on inspection and which is made after shipment, or in respect of any damage during transit.

## CLAUSE 12. ARBITRATION

1. Any dispute arising under or in connection with these conditions or the sale of the goods shall be referred to Arbitration by a single arbitrator appointed by agreement or (in default) nominated on the application of either party by the President for the time being of the Institution of Electrical Engineers.

## CLAUSE 13. LEGAL CONSTRUCTION

- 13.1 The contract shall be governed by the Laws of England.