

Circuit Coatings (Automotive) Limited



Standard Conditions of Sale

General Provisions

- 1 These conditions apply to all orders and contracts for the supply of any goods or the application of surface treatments (hereinafter collectively referred to as "goods") by Circuit Coatings (Automotive) Limited ("the Company") to the Company's customers ("the Customer") and no variation of these conditions is to have any effect unless accepted in writing by the Company.
- **2** These conditions and any contract made in accordance with them shall be subject to and construed in accordance with English Law,
- 3 All quotations made by the Company shall be open acceptance by the Customer for the period of 28 days only.

Specification

- **4** All special requirements of the Customer as to the use quality or fitness for any purpose (including without limitation any anti-corrosive or non-toxic qualities) of goods required to be supplied must be stated in writing on the Customer's Order for such goods.
- 5 If there are no special requirements stated in the Customer's Order as to the use or the quality or the fitness for any purpose of goods required to be supplied or coated, then the order shall be deemed to be for goods of normal commercial quality and shall be deemed to be goods supplied without reference to any sample. Any recommendations, or suggestions, relating to the goods made by or on behalf of the Company either in technical literature, or in response to a specific enquiry or otherwise are given in good faith but it is the sole responsibility of the Customer to satisfy himself as to the suitability of goods for a particular purpose and the Company shall have no responsibility whatsoever to the Customer for any damage liability costs claims or expenses suffered by the Customer, or any third party, through following such recommendations.
- **6** The Company reserves the right to alter the specifications of any goods, without prior reference to the Customer, provided that such alteration does not reduce the standard of the previous specification or conflict with the special requirements in the Customer's Order.
- **7** All goods received by the Company from the Customer for coating shall be deemed to be free from defects or damage and suitable for coating, and the Company shall not be responsible for carrying out any checks on such matters.
- **8 (1)** The Company will not be responsible for checking on receipt the quantity of Customer's goods received and the Customer shall accept the Certificate of the Company on its Delivery Notes as conclusive evidence of such quantifies.
- (2) In the case of damaged goods or shortage of delivery or non-conformity with order, written notice must be given by the Customer to the Company within three days, followed by a complete claim in writing within five days, both from the date of delivery.
- (3) In the case of loss of goods, notice in writing must be given to the Company within fourteen days of the date of consignment.
- (4) In default of compliance with the foregoing provisions of this clause (time to be of the essence) the Customer shall be deemed to have accepted the goods as having been delivered in conformity with order shall not be entitled to refuse to take delivery of the goods or any part of them.
- **9 (1)** Any alleged defect in the surface treatment undertaken by the Company shall be notified by the Customer to the Company in writing within 90 days following the date of delivery by the Company to the Customer (time to be of the essence).
- (2) The liability of the Company in respect of any alleged defect for which the Company agrees to accept responsibility shall be limited to the stripping and recoating of such defective goods.
 - (3) The Company shall not be liable to the Customer
 - (a) for any alleged defects which are not notified as aforesaid within the said 90 day period, nor
- **(b)** for any incidental or consequential loss or damage arising at any time from any alleged defect other than consequential less following directly from death or personal injury arising as a result of the negligence of the Company, its employees or sub-contractors.

10 Where the contract is for delivery in instalments defects in quality or dimensions in any delivery shall not be a ground for cancellation of the remainder of the contract.

Time for Delivery

- 11 Where a period is named for delivery and is not extended by mutual agreement in writing then subject to the right of the Company to suspend, delay or cancel delivery the Customer shall take delivery within that period. If at its discretion the Company is prepared in any particular case to provide storage facilities for the benefit of the Customer any such storage is to be at the sole risk of the Customer and at such extra charge as may be agreed in advance in writing or failing such agreement where at such rate as may reasonably be decided by the Company at its discretion and the Company shall at all times retain the right to insist that the Customer accepts such delivery or arranges its own storage of the goods.
- 12 The Company reserves the right to make part deliveries.
- **13** Although the Company will use its best endeavours to deliver goods at the rate and at the time quoted for delivery, it shall not be liable for any loss or damage arising from its failure to do so.
- 14 Deliveries may be wholly or partially suspended and the time of such suspension added to the original contract period in the event of a stoppage, delay or interruption of work in the establishment of either the Company or the Customer during the delivery period as a result of strikes, lock-outs, trade disputes, breakdown, accident or any cause whatsoever beyond the control of the Company or the Customer respectively.

Liability and Indemnity

- 15 The Company shall not be liable to the Customer and the Customer shall indemnify the Company from and against all actions, costs, claims and demands of whatever nature made against the Company for any loss and damage including consequential loss or damage caused
 - (1) by the failure of the Customer to observe the requirements of Condition 7 to any goods supplied:
- (2) by any defect arising out of the use or in the quality of any goods supplied or in such goods not being fit for any purpose unless such use quality or fitness for purpose was a special requirement in writing in the Customer's order notified to the Company under Condition 4;
- (3) by any failure of the goods supplied to accord with any recommendation of the Company made in good faith but not contained in any special requirement contained in the Customer's order:
- (4) by any defect or deficiency in the goods where the failure of the Customer to comply with the conditions for acceptance and delivery contained in Clause 9 hereof has prevented a proper verification and proof of such defect or deficiency.
- (5) as a result of work done in accordance with the Customer's specification which involves the infringement of any Letters Patent Registered Design Trade Mark or Copyright in the execution of the contract or in the subsequent use of any goods supplied by the Company

Passing of Property

- **16 (1)** Property in the goods shall not pass to the Customer and the full legal and beneficial ownership of the goods shall remain with the Company unless and until the Company has received payment in full both for the goods the subject of this Contract and for all other goods the subject to any other Contract between the Customer and the Company which at the time of payment of the full price of the goods sold under this Contract have been delivered to the Customer but not paid for in full.
- (2) Until properly in the goods has passed to the Customer in accordance with the proceeding sub-clause and without prejudice to the Company's rights.
- (a) the Customer shall insure the goods which are on or at the Customer's premises or have been delivered elsewhere on the instructions of the Customer against fire and theft and shall, if required to do so in writing by the Company, prove to the Company that such insurance has been effected.
- **(b)** the Customer shall if required to do so in writing by the Company keep the goods marked and apart from all other goods so as to distinguish and separate the goods from other goods.
- **(c)** the Customer shall retain the goods in a fiduciary capacity as bailee for the Company until such time as the goods are sold by the Customer to the Customer's purchasers by way of bona-fide sale at full market value.
 - (d) if the Customer sells the goods:-
- (i) the Customer shall as between itself and its purchaser sell as principal and not as agents but as between the Company and the Customer the Customer shall be deemed to act as the agent of the Company.
 - (ii) the Customer shall hold the proceeds of such sale on trust for the Company.
- (iii) the Company shall be entitled to trace the proceeds of such sale in accordance with the principles in "re: Hallett's Estate".
- (iv) the Customer shall (if required to do so in writing by the Company) transfer the proceeds of such sale into a joint Bank Account nominated by the Company in the names of the Company and the Customer.

- **(e)** The Company shall be entitled to immediate re-delivery of the goods and to re-sell the goods at any time after the due date for payment or before such date in the case of the occurrence of any of the events referred to in conditions 20 or 23 hereof and lor the purpose of such recovery and/or re-sale of the goods the Company shall be entitled and the Customer hereby grants to the Company its Officers, Servants and Agents a licence to enter upon the premises of the Customer during normal business hours and to remove the Goods (including severance from the realty when necessary).
- (3) should the Goods (or any of them) be mixed with other goods or converted into a new or modified product, whether or not such mixture or conversion involves the addition of any other goods or thing whatsoever and in whatever proportions the mixture or conversion shall be deemed to have been effected on behalf of the Company and the Company shall have the full and legal and beneficial ownership of the new product and the rights and powers of the Company hereinbefore set out shall extend to the new product.
- (4) the exercise by the Company of its rights against the Customer under this clause shall be without prejudice to any rights of the Company to claim against the Customer for additional losses suffered by the Company as a result of the Customer's breach of contract and this clause shall not prejudice or affect the right of the Company to claim from the Customer the price of the goods.

Prices

- 17 (1) All prices quoted are exclusive of and subject to the addition of VAT.
- (2) Unless otherwise agreed all prices are quoted "ex works" except where otherwise specified in the Company's quotation.

Quantity Variation

18 (1) The Customer acknowledges that the processes involved in surface treatments may result in loss or damage to some of the Customer's products. Accordingly, the Company shall have the right to deliver against any order a shortfall of up to 3% of quantities delivered to the Company for coating and shall have no liability to the Customer in respect of loss arising from such shortfall.

Terms of Payment

- **19 (1)** Unless otherwise stated on the Company's quotation or confirmation of order, payment shall be net cash due on or before the last day of the month following the month of delivery. The Company will be entitled to charge interest on overdue accounts shall in no way prejudice its rights to recover any monies (including accrued interest) due to it by legal proceedings at such time as the Company thinks fit and the Company shall be under no obligation to allow overdue accounts to remain outstanding on payment of interest thereon.
 - (2) For new credit accounts the Company requires two approved trade or bankers references for the Customer.
- (3) If the Customer cannot accept delivery when the goods are completed ready for delivery then the time when the goods are ready shall count as the delivery date and payment shall be made accordingly unless otherwise agreed m wr ting by the Company
- 20 If before delivery is effected there arises reasonable grounds for the Company to believe that the Customer will not be able to fulfil its payment obligations the Company shall have the right to demand from the Customer security for payment from the date of demand for security until the date of satisfactory provision of the same the Company shall be under no obligation to do any act or thing to implement any part of the contract. If security acceptable to the Company is not offered within such reasonable period as may be specified by the Company, the Company may terminate the Contract without further liability on its part but the Customer shall be liable to the Company in respect to any losses (including loss of profit) incurred by the Company as a consequence of such determination.
- 21 The Company shall have a general lien on all goods and property of the Customer in the possession of the Company in respect of all sums due from the Customer to the Company but unpaid and the Company shall be entitled on giving 14 days notice in writing to the Customer to dispose of such goods or property and to apply the proceeds thereof towards reduction of such debt.

Trade Marks and Patents

22 The supply of goods by the Company shall not confer any right upon the Customer to use any patents, trademarks, copyrights or registered or other designs of the Company without prior written consent of the Company and at all times such patents, trademarks, copyrights and designs shall remain like sole property of the Company.

Termination of Contract

23 if the Customer shall make default in or commit a breach of the contract or of any other of his obligations to the Company, or if any distress or execution shall be levied upon the Customer's property or 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 shall be presented or made against him or if the Customer is a limited company and any resolution or petition to windup such Company's business (other than for the purpose of

amalgamation or reconstruction) or to appoint an administrator shall be passed or presented or if a receiver of such company's undertaking property or assets or any part thereof shall be appointed, the Company shall have the right forthwith to terminate any contract then subsisting, upon written notice of such termination being posted to the Customer's registered office or (being an individual) his last known address in the United Kingdom, the contract shall be deemed to have been determined without prejudice to any claim or right the Company may otherwise make or exercise.