

GENERAL TERMS AND CONDITIONS OF BUSINESS OF AUTONIC ENGINEERING CO LTD
Registered in England & Wales No.1857838 ("The Supplier") which terms includes a successor or assigns

1. In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:-

- "The Acceptance Date" Means the date on which the work is accepted (or deemed to be accepted) by the customer. Acceptance will be deemed to have taken place on delivery of the Work unless the Customer notifies the Supplier to the Contract to the contrary forthwith upon delivery.
- "Clause" "Sub-Clause" and "Schedule" Means a clause, sub-clause or schedule to these conditions.
- "The Contract" Means any contract between the Supplier and the Customer.
- "Customer" Means the customer of the Supplier for the purposes of the supply in question as may be specified in the Schedule.
- "The Delivery Date" Means the delivery date specified in the Schedule or such extended date as may be granted pursuant to Clause 28.
- "Goods" means the goods set out in the Schedule to be supplied by the Supplier as part of the Work.
- "The Price" Means the price for the Work to be provided hereunder as specified in the Schedule
- "Schedule" Includes any Order, Specification and/or Quotation which refers to these conditions or is annexed hereto.
- "The Terms" Means these terms and conditions and those contained in the Schedule.
- "The Work" means the work materials goods and services to be supplied by the Supplier to the Customer as set out in the Schedule.

2. QUOTATION

Quotations by the Supplier unless otherwise stated in them shall be open for acceptance for 30 days from the date of the quotation. Clause 5.2 applies to any quoted price.

3. EXISTENCE OF CONTRACT

- 3.1 No contract shall come into existence until the Customer's order (however given) is accepted by the earlier of the Supplier's written acceptance, complete delivery of the Order and/or the Supplier's invoice.
- 3.2 The Terms shall be incorporated in the Contract to the exclusion of any terms or conditions stipulated or referred to by the Customer.
- 3.3 No variation or amendment of the Terms or oral promise or commitment or representation related to it shall be valid or binding on the Supplier unless committed to in writing and signed by or on behalf of the Supplier, and to the extent the content of the Schedule or any part of it contradicts any general condition the Schedule shall apply.

4. WORK TO BE PROVIDED

4.1 The Supplier hereby agrees to manufacture and/or sell the Goods free from encumbrances, carry out the Work to the extent and as specified in the Schedule on the Terms.

5. PRICE AND PAYMENT

- 5.1 Subject to the Schedule the Price shall be paid by the Customer not later than the last day of the month following the month of the supplier's invoice date, which the Supplier may deliver on delivery of the Work.
- 5.2 The Price may be varied to reflect extreme changes in market conditions and tooling costs.
- 5.3 The Price and any additional charges payable under the Contract are exclusive of Value Added Tax which shall be paid by the Customer at the rate and in the manner of the time being prescribed by law.
- 5.4 If any sum payable under the Contract is not paid on the date due then (without prejudice to the Supplier's other rights and remedies) the Supplier reserves the right to charge interest on such sum on a day to day basis (as well after as before any judgement) from the due date to the date of payment (both dates inclusive) at the rate of 4% above the base rate of Barclays Bank Plc from time to time in force.

6. TITLE AND RISK

- 6.1 The title to the goods shall only pass to the Customer on payment in full of the Price and any other sums which may then be due under the Contract.
- 6.2 Risk in the Work and/or the Media shall pass the Customer on delivery of the same to the Customer.

7. DELIVERY

- 7.1 Unless otherwise specified in the Schedule the Supplier shall deliver the Work to the Customer's location at a cost extra to the Price. Claims as regards failures in delivery must be notified within 10 calendar days in writing or delivery pursuant to the Contract will be deemed to have taken place.
- 7.2 Where Goods are delivered in instalments, each delivery shall constitute a separate contract and failure to deliver one or more instalment or any claim in respect of one instalment shall not entitle the Customer to treat this Contract as a whole to be repudiated.

8. TIME

The time for delivery of the Work shall not be of the essence of this Agreement.

9. WARRANTY

- 9.1 The Supplier warrants that the Work and Goods supplied by the Contract will correspond with the quotation upon delivery and will be free from defects in material and workmanship on delivery, subject to the sub-clauses following.
- 9.2 The Supplier shall be under no liability in respect of any defect in the Goods or Work arising from any information or data supplied by the Customer.
- 9.3 If the Supplier receives written notice from the Customer after the Acceptance Date of any breach of the Supplier's warranty then the Supplier shall at its own expense and within a reasonable time after receiving such notice remedy the defect or error in question provided that the Supplier shall have no liability or obligations under the said Warranty unless it shall have received written notice of the defect or error in question no later than the expiry of 10 calendar days after the Acceptance Date.
- 9.4 The Supplier shall have no liability or obligations under the said warranty other than to remedy breaches thereof by the provision of materials and services within a reasonable time and without charge to the Customer. If the Supplier shall fail to comply with such obligations its liability for such failure shall be limited to a sum equal to the Price. The foregoing states the entire liability of the Supplier, whether in contract or tort, for defects and errors in the Work which are notified to the Supplier after the Acceptance Date. In particular the Supplier shall have no liability for consequential loss.
- 9.5 Except as expressly provided by the Terms no warranty, condition, undertaking or term, express or implied, statutory or otherwise, as to the condition, quality, performance, merchantability or fitness for purpose of the Work is given or assumed by the Supplier and all such warranties, conditions, undertakings and terms are hereby excluded.
- 9.6 These warranties shall not apply to any defect which arises from improper use, failure to follow the product Data Sheet information, or any repair or modification made without the consent of the Supplier.

10. FORCE MAJEURE

Notwithstanding anything else contained in the Contract, neither party shall be liable for any delay in performing its obligations hereunder if such delay is caused by circumstances beyond its reasonable control (including without limitation any delay caused by any act or omission of the other party) provided however that any delay by a sub-contractor or supplier of the party so delaying shall not relieve that party from liability for delay except where such delay is beyond the reasonable control of the sub-contractor or supplier concerned. Subject to the party so delaying promptly notifying the other party for the reasons for the delay (and the likely duration of the delay), the performance of such party's obligations shall be suspended during the period that the said circumstance persist and such party shall be granted an extension of time for performance equal to the period of the delay. Either party may, if such delay continues for more than 5 weeks, terminate the Contract forthwith on giving notice in writing to the other in which event neither party shall be liable to the other by reason of such termination save that the Customer shall pay the supplier a reasonable sum in respect of any work carried out by it prior to such termination and for this purpose the Supplier may deduct such sum from any amounts previously paid by the Customer under the Contract (the balance (if any) of which shall be refunded to the Customer whether paid by way of deposit or otherwise). Save where such delay is caused by the act or omission of the other party (in which event the rights, remedies and liabilities of the parties shall be those conferred and imposed by the Terms and by law):

11. CUSTOMER'S DEFAULT

If the Supplier is prevented or delayed from performing its obligations under the Contract by reason of any act or omission of the Customer (other than a delay by the Customer for which the Customer is excused under Clause 10) then the Customer will pay to the Supplier all reasonable costs, charges and losses sustained or incurred by the Supplier as a result (including without limitation the cost of storage and insurance of the Work). The Supplier shall notify the Customer of any claim which it may have under this Clause giving such particulars thereof as it is then able to provide.

12. LIABILITY

- 12.1 The Supplier shall indemnify the Customer and keep the Customer fully and effectively indemnified against any loss of or damage to any property or injury to or death of any person caused by any negligent act or omission or wilful misconduct of the Supplier, its employees, agents or sub-contractors or by any defect in the design or workmanship of the Work.
- 12.2 Except in respect of injury to or death of any person (for which no limit applies) the respective liability of the Suppliers and the Customer under sub clause (1) in respect of each event or series of connected events shall not exceed £500,000.00.
- 12.3 Notwithstanding anything else contained in the Contract the Supplier shall not be liable to the Customer for loss of profits or contracts or other indirect or consequential loss whether arising from negligence, breach of contract or howsoever.
- 12.4 No forbearance, delay or indulgence by either party in enforcing the provisions of the Contract shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no right, power or remedy herein conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and each such right, power or remedy shall be cumulative.

13. ENTIRE AGREEMENT

The Terms supersede all proper agreements, arrangements and undertakings between the parties and constitutes the entire agreement between the parties relating to the subject matter hereof.

14. NOTICES

All notices which are required to be given hereunder shall be in writing and shall be sent to the address of the recipient set out in the Terms or such other address in England as the recipient may designate by notice given in accordance with the provisions of this Clause. Any such notice may be delivered personally or by first class pre-paid letter, telex or facsimile transmission and shall be deemed to have been served if by hand when delivered, if by first class post 48 hours after posting and if by telex or facsimile transmission when despatched.

15. HEADINGS

The headings to the Terms of this Agreement are for ease of reference only and shall not affect the interpretation or construction of the Contract.

16. LAW

The Contract shall be governed by and construed in accordance with the laws of England and has jurisdiction.

(Ref : p)\no\mo.doc\145.wpd)