

1 Definitions

- 1.1 “Company” means Advanced Composites Group Limited, whose registered office is at Concorde House, 24 Warwick New Road, Leamington Spa, Warwickshire CV32 5JG.
- 1.2 “Customer” means any company, firm or individual to whom the Goods are sold or supplied by the Company.
- 1.3 “Goods” means all goods, materials, articles or services supplied by the Company to the Customer.
- 1.4 “Other goods” means goods the subject of any other contract between the Company and the Customer (if any).
- 1.5 “Order” means the order placed by the Customer with the Company for supply of the Goods.

2 Applicability of conditions

- 2.1 All offers, quotations and tenders are made and all Orders are accepted by the Company subject to the following terms and conditions. These terms and conditions represent the only terms on which the Company trades notwithstanding any terms and conditions that may be contained in any order or other form of the Customer, and all other terms, conditions or warranties are excluded from any contract between the Company and the Customer unless explicitly accepted by the Company in writing. No variation of these terms shall have any effect unless made in writing and signed by a director of the Company.
- 2.2 No employee or agent of the Company has any authority to give or make any representation or warranty relating to goods or services provided or to be provided by the Company unless such representation or warranty is in writing and signed on behalf of the Company by a Director of the Company.
- 2.3 Conditions comprise entire agreement
These terms and conditions shall have effect in place of any other terms and conditions which may previously have been notified by the Company to the Customer, or which may be implied by law or trade, custom, practice or course of dealing between the parties, all of which are hereby explicitly excluded.
- 2.4 Quotations
The Company’s estimates and quotations constitute invitations to treat and shall not be binding offers on the part of the Company unless specifically referred to as fixed for a specific duration. The Company reserves the right to withdraw or vary its estimates and quotations without notice, unless specifically stated otherwise, at any time before receipt of an unqualified Order from the Customer.

Receipt and acceptance of an unqualified Order from the Customer by the Company shall constitute an individually legally binding contract between the Company and the Customer incorporating these conditions.

2.5 Cancellation of Orders

- 2.5.1 The Company will not accept the subsequent cancellation of any Order, unless notified to the Company in writing within ten days of the receipt of the original Order in which case acceptance of the notice of cancellation will be at the Company’s discretion.
- 2.5.2 Where the customer cancels an order or defers delivery of an order by more than 3 months, the Company shall have the right to claim payment for any materials or services acquired specifically to satisfy the Customer order which has been cancelled or deferred.

- 2.6 **Acceptance of orders.**
Orders are only accepted subject to these Conditions of Sale and any variation of these Conditions introduced by the Customer shall be ignored unless the Company expressly agrees thereto in writing. The return of the Customers standard order acknowledgement form does not constitute a written agreement by the Company to the modification of these Conditions.
- 2.7 **Price**
The Company shall have the right subject to reasonable prior notice to vary the prices quoted in the event of:
- 2.7.1 any increase in the cost of materials, labour or manufacture,
 - 2.7.2 any increase in any customs import or export duties,
 - 2.7.3 any cost incurred due to delays caused by the Customer including (but not limited to): late instructions, changes in delivery schedules, failure to give adequate information and/or failure or delay in the supply of special tools, materials, drawings or patterns.
- 2.8 **Value Added Tax, Duties and Taxes**
All prices quoted by the Company are exclusive of Value Added Tax that will be chargeable at the date of despatch of the goods at the then current rate and are exclusive of all other duties and taxes of whatever nature that may be applicable to the supply of the goods.
- 2.9 **Material Specification**
In the absence of a mutually agreed material specification, Advanced Composites Group's specifications will apply.
- 3 Inspection**
- 3.1 The Customer shall inspect the Goods immediately on arrival thereof and shall within seven days from such inspection give notice in writing to the Company of any matter or thing by reason whereof he alleges that the Goods are not in accordance with the contract. If the Customer shall fail to give such notice the Goods shall be deemed to have accepted in all respects in accordance with the contract and the Customer shall be bound to accept and pay for the same accordingly.
- 3.2 The Customer shall when giving notice of rejection specify the reasons thereof and shall thereafter return the rejected goods to the Company at the Customer's expense and risk. In such case the Company shall give to the Customer a reasonable credit or allowance in respect of the rejected Goods (or at the Company's option replace the Goods) provided that in no event will the Company's maximum liability exceed the invoice value of the substandard goods.
- 4 Receipt of Goods by customer**
The Customer shall be liable for all costs whether direct or indirect incurred by the Company as a result of the Customer's neglect or default or lack of instructions in respect of their receipt of the Goods; or refusal or failure to take delivery of the goods; or special deliveries or part deliveries made at the request of the Customer. Any such sums shall be paid by the Customer in addition to the Price.
- 5 Delivery**
- 5.1 **Customer to unload**
The Customer shall be responsible for the provision of labour and equipment for unloading the goods that shall be at the Customer's own cost and risk.
- 5.2 **Limit of delivery obligations**
The Company's liability for delivering Goods shall be limited to delivering them as near the place where the Goods are required as a safe hard road permits. Where, at the Customer's request, the Company agrees to deliver the Goods at a point that goes beyond this limit, the Customer shall indemnify the Company against all costs, claims, liabilities, damages and expenses that the Company may incur as a result of the request.

- 5.3 If for any reason the Customer is unable to accept delivery of the Goods at the time when the Goods are delivered to him, the Company shall, if its storage facilities permit, store the Goods and safeguard them, taking all reasonable steps to prevent the deterioration of, or damage to, the Goods. Having been occasioned as a result of the Customer's failure to accept delivery the Customer will accept the Goods and pay to the Company the full cost thereof with a reasonable sum in respect of storage of the same.
- 5.4 **Company responsibility to meet scheduled delivery dates**
The Company will use its reasonable endeavours to comply with its quoted delivery dates but it will not be liable in respect of any damage or loss arising out of delays in delivery whether such delays be caused by any act of the Company its servants or agents or by any other cause. Furthermore any delay in deliveries shall not give rise to termination of any contract between the Company and the Customer unless such delay results from the wilful default of the Company its servants or agents.
- 5.5 **Right to deliver in instalments**
The Company is entitled to deliver part of the Goods ordered or to deliver by instalments and to invoice separately for each such part or instalment and these provisions shall apply to each such invoice.
- 6 Risk**
The risk in the Goods shall pass to the Customer from the time when the Company despatches the Goods in accordance with condition 5 hereof and the Company shall not be liable for the safety of the Goods thereafter.
- 7 Quantity Variations**
- 7.1 In the event the Customer orders material in the form of rolls, linear units or units of area, the Company will endeavour to supply the exact quantity of material ordered but the total quantity shall be subject to a tolerance either way of 10% and the Customer will pay for the actual quantity of material delivered. The indicated roll lengths are given as a general indication but without legal commitment.
- 7.2 In the event the Customer orders component parts, the Company will endeavour to supply the exact number of parts ordered.
- 8 Payment of Invoices**
- 8.1 **Payment terms**
The Invoice will be rendered to the Customer at the time of delivery of the Goods. Payment of the Invoice is due 30 days after the date of invoice unless alternative credit terms have been previously confirmed by the Company in writing to the Customer. The Company may set a financial limit on any credit facility made available to the Customer (the 'Credit Limit') and if the Customer orders Goods from the Company in excess of the Credit Limit, the Company may require payment of the excess on demand and refuse to deliver the Goods until such payment has been received by the Company.
- 8.2 All payments shall be made to the Company in the currency of the Company's Invoice, either directly to the bank account of the Company (details as advised on the Invoice), or by cheque sent to the trading address of the Company as shown on the Invoice.
- 8.3 If the Customer's cheque payable to the Company is not met upon first presentation then without prejudice to its rights and remedies in such a case, the Company will make a charge in respect of the costs incurred.
- 8.4 **Right to set-off amounts owed to the Customer**
Where the Company is under a liability to pay to the Customer any sum whether in respect of a contract or otherwise howsoever, and at or shortly before the time the Company is due to make such payment, any sum then owing by the Customer to the Company whether under this contract, another contract or otherwise howsoever is unpaid, the Company shall, without prejudice to any other rights it may have whether under these Conditions, this contract or the general law, be entitled to set-off against any payment to be made by it an amount equal to such sum then owing by the Customer.

- 8.5 Failure to Pay
Without prejudice to any other rights and remedies that may be available to the Company, if the Customer fails to pay to the Company any amount on the due date:
- 8.5.1 The Company shall have the right to cancel any contract made with the Customer and/or to suspend delivery of Goods without prejudice to the Company's right to recover damages for any loss sustained by it. The Customer shall indemnify the Company against all costs, charges or expenses arising as a result of such cancellation or suspension; and
 - 8.5.2 From the due date until payment is received, the outstanding sum shall carry interest at the rate of 1.5% per calendar month; and
 - 8.5.3 The Customer shall indemnify the Company against any costs, fees and expenses incurred by the Company as a result of any proceedings brought by the Company to recover sums due and outstanding from the Customer.

9 Reservation of title

- 9.1 Title remains with Company until Goods are paid for.
Notwithstanding that the Customer obtains possession of the Goods, property in Goods sold or supplied to the Customer will remain in the Company which reserves the right to dispose of them until such time as payment for such Goods is received in full and where payment has been made by cheque or other negotiable instrument, payment shall not be deemed to be received until the Company has received such amount in cash or cleared bank funds.
- 9.2 Status of Goods pending payment
Until title of the Goods has passed to the Customer under these terms and conditions, the Customer shall possess the Goods as fiduciary agent and bailee of the Company. The Customer shall store the goods separately from other Goods and shall ensure that they are clearly identified as belonging to the Company.
- 9.3 Right to enter Customer's premises to recover Goods
The Customer irrevocably licenses the Company, its officers, employees and agents to enter any premises where the Goods may be stored for the purpose of satisfying itself that the above condition is being complied with or for recovering any Goods in respect of which title has not passed to the Customer.
- 9.4 Goods at Customer's risk from delivery
Without prejudice to the above, all Goods supplied by the Company shall be at the Customer's risk from the time of delivery.

10. Conflict

Where these terms and conditions in any way conflict with any terms on which the Customer has purported to accept the Goods then the provision of any such terms of the Customer shall be deemed to be ineffective to the extent that they are inconsistent therewith.

11. Warranty and exclusion of liability

- 11.1 Warranty as to satisfactory quality
The Company warrants that the Goods supplied shall, at the time of delivery, be free from defects and conform to the specification provided by the Company. The Company's liability under this warranty shall be limited to, at its own cost, either replacing or repairing any Goods which are defective by reason of their not being of satisfactory quality or failing to meet the description applied to the goods, provided that the Customer has given written notice of the alleged defect to the Company within the time limits set out below. The Company's obligations shall not extend to defects caused by misuse or neglect of the goods by the Customer, or modifications made to the goods by the Customer.

Advice and information, in whatever form it may be given, is provided in good faith and without liability by the Company, and the Customer shall have no claim against the Company for any loss, damage, costs or expenses arising out of the Customer or any other party relying upon such advice or information.

- 11.2 **Warranty as to damage to property**
The Company shall compensate the Customer for damage to the Customer's property caused by the negligence of the Company, its employees or agents, subject to such compensation being limited to £1 million in respect of any occurrence or series of occurrences arising from the same incident.
- 11.3 **Limitation of warranties**
The Company's liability to the Customer for the Goods shall be as set out in the above clauses, which shall be in lieu of any other rights or remedies whatsoever save for liability for death or personal injury resulting from the negligence of the Company or of its employees or agents.
- 11.4 **Exclusion of consequential losses**
Without prejudice to the foregoing, the Company shall not be liable for consequential loss or damage howsoever caused, including (without limitation) loss of profits, goodwill or contracts or other indirect losses or costs whether arising directly or indirectly from any act or omission of the Company in connection with the sale of Goods to the Customer.
- 11.5 **Time limit on warranty claims**
Any warranty claim by the Customer shall (whether or not delivery is refused by the Customer) be notified to the Company within 7 days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within 7 days after discovery of the defect or failure. If delivery is not refused, and the Customer does not notify the Company accordingly, the Customer shall not be entitled to reject the Goods and the Company shall have no liability for such claim, and the Customer shall be bound to pay the Price as if the Goods had been delivered in accordance with the Order.
- 12 Force Majeure**
- 12.1 The Company shall not be liable for any delay or failure in carrying out its obligations which is caused wholly or partly by reason of act of God, delay in transportation, labour disputes, fire, flood, war, accident, Government Action, compliance with any request or application from or requirement of any Government Authority (United Kingdom or otherwise) whether or not having the force of law, inability to obtain adequate labour, materials, manufacturing facilities or energy or any other cause or reason beyond the Company's control or that of its servants or agents.
- 12.2 If the performance of its obligations is prevented or restricted by Force Majeure the Company shall be released for the duration of the Force Majeure or such other period as may be agreed between the Company and the Customer as being reasonable in all the circumstances from its obligation affected by the Force Majeure provided that the parties concerned shall:
- 12.2.1 Give prompt notice to the other party of the causes of the Force Majeure,
12.2.2 Use all reasonable endeavours to avoid or remove such causes of non-performance
12.2.3 Continue the performance of the order or contract as soon as such causes are removed.
- 12.3 The parties shall take all reasonable steps to minimise the effects of Force Majeure on the performance of the activities under the order or contract and shall make such arrangements as are necessary in good faith with regard to the appropriate measures to be taken.
- 13 Intellectual Property**
The Customer on his part warrants that any design or instructions furnished by him shall not be such as will cause the Company to infringe any letters patent or other Industrial property right. The sale of any Goods does not convey to the Customer any license or right to use any of the Company's Intellectual property which might form part of such Goods except to the extent that it is actually embodied in the Goods.

14 Termination

The Company shall have the right at its absolute discretion to terminate any contract with the Customer immediately upon written notice to the Customer, if:

- 14.1 the Customer shall make default or commit a breach of the contract or any of his obligations to the Company;
- 14.2 any distress or execution shall be levied upon the Customer's property or assets;
- 14.3 the Customer shall make or offer to make any arrangement or composition with his creditors or commit any act of bankruptcy or any petition or receiving order in bankruptcy shall be presented or made against him, or it appears to the Company likely that one or more of these events shall occur;
- 14.4 the Customer is a limited company and any resolution or petition to wind up such company's business (other than for the purpose of amalgamation or reconstruction which in the opinion of the Company is not detrimental to the Company) or to appoint an administrator shall be passed or presented.

15 Partial Completion

In the case of partial completion of an order by reason of any events referred to in clause 12 or 14 hereof the Company shall be entitled (without prejudice to all or any of its rights and remedies) to a reasonable compensation in respect of all work done by it.

16 Exclusion of third party rights – UK companies only

A person who is not a party to a contract under these terms and conditions shall have no rights pursuant to the Contract (Rights of Third Parties) Act 1998 (the 'Act') to enforce the terms of the contract or any Order. Any right or remedy of a third party, which exists or is available apart from the Act is not affected. The Customer shall not be entitled to assign this contract without the prior written consent of the Company.

17 Governing Law

The Conditions of Sale shall be construed according to and be governed by the Law of England. If and in so far as in any case a term, or part of a term, shall be held or deemed to be invalid, unenforceable, void or illegal under any English legislation or common law, that term, or part of the term, shall to that extent only not apply, but without prejudice to the rest of the term, or terms which shall remain valid and enforceable.

18 Amendments

Neither the Customer nor the Company shall be bound by any variation, waiver of or addition to these conditions except as agreed by both parties such agreement being in writing and signed by or on behalf of the Customer and the Company respectively.

19 Severance

In the event that any provisions hereof are found invalid or unenforceable pursuant to judicial decree or decision, the remainder of these Conditions of Sale shall remain valid and enforceable in accordance with their terms. Without limiting the foregoing, it is expressly understood and agreed that each and every provision of these Conditions of Sale, which provides for a limitation of liability, disclaimer of warranties or exclusion of damages is intended by the parties to be severable and independent of any other such provision and to be enforced as such. Further, it is expressly understood and agreed that in the event any remedy hereunder is determined to have failed of its essential purpose, all limitations and exclusions of damages set forth herein shall remain in effect.