

# Arrow Valley Automation Limited General Conditions of Supply

## 1. Formation of Contract

1.01 All orders and contracts placed with the Company will be accepted only in accordance with the terms and conditions set out below and these terms and conditions shall override any stipulations incorporated or referred to by the Customer whether in the order or in any prior negotiations and all guarantees, warranties or conditions (including any conditions as to quality and fitness for any particular purpose) whether express or implied are excluded to the extent permitted by statute.

1.02 No orders shall be deemed accepted until acknowledged and accepted in writing by a Director of the Company and the Company may refuse to accept and execute any orders placed with it.

1.03 Quotations not previously withdrawn or specified otherwise will be valid for a period of thirty (30) days from the date of the quotation.

1.04 The Company's policy is one of continuous improvement and therefore the Company reserves the right to withdraw, modify or amend quotations and specifications and to accept or refuse orders without assigning any reasons thereto.

1.05 The Company reserves the right to cancel any uncompleted order or to suspend delivery, in the event of the Customers commitment, under the contract to the Company not being met in full.

1.06 If the Company is of the opinion that such commitments will not be met by the Customer then the Company may give fourteen days notice in writing to the Customer to terminate the contract whereupon all rights and liabilities thereunder shall cease but without prejudice to the right of either party against the other for antecedent breach.

1.07 Any penalty clauses must be agreed at time of quotation, order placement. It must be detailed in writing and agreed by all parties, including suppliers of AVA where applicable.

1.08 All customer cancellations will be considered on a case-by-case basis. We reserve the right to charge for material purchase and work completed in full.

1.09 We reserve the right to implement a force majeure clause to the above if necessary.

## 2. Documentation

2.01 All drawings, documents, specifications are the copyright therein shall remain the Company's property and may not be made available or accessible to any third party and are subject to recall at any time.

2.02 No working drawings or final drawings will be supplied unless provided for in the quotation.

2.03 All such documentation is intended to give a general outline only and is not binding as to details, dimensions and find layout, save where otherwise specifically stated.

## 3. Insurance

The Customer will provide at his own expense insurance against loss or damage by fire or other casualty covering the material supplied under the contract from the time that it arrives at the Customers premises. Such insurance shall be for the full amount of the contract and shall cover all equipment used in connection with the contract. If the Customer fails to provide such insurance cover the Customer will accept full liability for all loss or damage to the material.

## 4. Prices

4.01 All quotations are exclusive of VAT and will be subject to the addition of VAT at the rates in force at the time of invoicing.

4.02 Unless specified otherwise, all quotations are based on the costs at the date of the quotation of labour and/or materials and/or transportation and are therefore subject without notice, to any increase in costs to any or all of the above Customer shall pay such increases in addition to the quoted price.

4.03 When fixed prices are quoted these will be subject to increases if the period quoted for completion of the contract is exceeded for any reason or cause beyond the Contractor's control.

4.04 In the case of partial completion of the contract the Company shall be entitled to a Quantum meruit in respect of all work done by it without prejudice to its rights should non-completion be occasioned by the Customer.

4.05 Unless specified otherwise quotations are based on work being carried out during normal working hours. If overtime work is carried out on the Customer's instructions, overtime rates will be charged for this work.

4.06 The company reserves the right to charge for any costs incurred for additions, alterations, corrections and amendments resulting from customer liaising direct with manufacturers, suppliers or third parties.

4.07 Where it is discovered by the Company that any quotation or estimate given by it contains an accidental error or omission, then notwithstanding the quotation or estimate given, the Company shall be entitled to invoice the Customer and receive payment in accordance either with the price given in the quotation or estimate or the price ruling at the date of dispatch whichever is the greater.

## 5. Delivery and Transit

5.01 The period quoted for the delivery and completion will be calculated from the date of the Company's acceptance of the Customers order. This date(s) intended as an estimate only and the Company shall not be liable to make good any damage or loss, whether arising directly or indirectly out of any delay in delivery of completion.

5.02 No events outside the Company's control which occur having a material bearing on this contract, such as labour disputes, strikes, lockouts. Acts of God, shortages of raw materials, delayed deliveries by manufacturers or other acts or omissions beyond the Company's control, whether occurring in the Company's works or those of the Company's suppliers and which shall delay completion of the contract, will render the Company liable to any costs, claims or demands by the Customer.

5.03 The quotation includes the cost of delivery to site unless specified otherwise, but unloading facilities, including, without prejudice to the generality of the foregoing, cranes, forklift trucks, etc, and the Customer will supply operators for such equipment.

5.04 The Customer will provide safe and convenient storage for the materials and tools and will give proper care and attention to the equipment and work in progress after such item or items have been placed in the designated location.

5.05 Damage to the equipment and loss in transit must be notified by the Customer to the Company within three (3) days of receipt of equipment. Failing receipt of such notice, the Customer shall be conclusively deemed to have received and accepted all such equipment or goods in transit.

## 6. Delays

6.01 If the Customer requires any variations to the contractor specifications that either delay or interrupt the progress of the works the Company shall be entitled to increase the contract price to take account of all additional costs resulting from such variations.

6.02 Any waiting time incurred by the Company's employees to the non fulfillment of the Customers obligations, whether express or implied under the contract, the unreadiness of the site or any other act or matter outside the Company's control, will entitle the Company to increase the contract price to take account of such delays

6.03 Any additional visits to the site by the Company's employees necessitated by any act or omission of the Customer, or beyond the Company's control, will be charged to the Customer.

6.04 If the Customer refuses to accept goods stipulated in the agreement, they shall be responsible for all of the extra costs and damages arising from the refusal. Such costs may include, for example, costs for storage, claims from third parties and costs for additional work and services.

6.05 Should the customer cause any delay; the customer shall assume responsibility for extra costs and damages which may arise from extra costs for all additional work. Such causes may be misleading information, lack of architectural, structural conditions and delay in acceptance.

## 7. Company's Liability

7.01 The liability of the company to pay compensation for any claims made by the client against the company under the Contract shall be limited to the actual costs of rectification or redrawing of the drawings, plans and specification in question.

7.02 The company shall not be liable for any economic loss, loss of production, loss of opportunity or loss of bargain suffered by the Client as a result of any breach of the Contract by the Company.

7.03 The Company accepts no responsibility for the accuracy or suitability of patterns, designs, drawings, plans, particulars, information, instructions or specifications supplied by the Client or any failure by the Client to supply any of the same.

7.04 The Company shall not be liable in any way whatsoever for any losses arising to the Client if the instructions given by the Client to the Company including any plans, drawings and specifications are that are inaccurate or unsuitable.

7.05 The Company shall not be liable in any way whatsoever for increased costs, losses or delays arising from direct client intervention with manufacturers, suppliers or third parties.

7.06 Unless otherwise agreed in writing by the Company, the Company gives no warranty that the drawings, plans and specifications produced under the Contract will be adequate and suitable for the purpose intended by the Client.

7.07 The Client shall be responsible for checking the accuracy of the drawings, plans and specifications produced under the Contract before using the same and the Company shall not be liable if it fails to do so.

## 8. Payment Terms

8.01 Payment terms for the contract will be as follows unless otherwise agreed in writing between the Company and the Customer.

8.02 The Customer shall make payment in full on such invoice at the end of the month following that in which such invoice is delivered.

8.03 The final balance due under the contract will be payable by the Customer to the Company within six (6) weeks of receipt by the Customer of the invoice rendered on completion of the work.

8.04 In case of partial consignments, partial payment will be required in proportion to the goods available for consignment.

8.05 The Company shall be entitled to charge interest by way of liquidated damages on the balance of any payments not made within such periods specified at the rate of four per cent (4%) above the base rate for the time being of National Westminster Bank Limited

## 9. Title

9.01 The Property and ownership in all equipment and goods to be supplied under this contract shall remain in the Company until full payment is made under the contract.

9.02 No equipment or goods shall become a fixture or part of realty until such payment is made.

## 10. Constructions

This contract shall in all respect, be construed and operate as an English contract and in conformity with English Law.

## 11. Arbitration

If any question, dispute of difference whatsoever shall arise between the Company and the Customer upon, in relation to, or in connection with the contract, then either Party may give notice in writing to the other of the existence of such question, dispute or difference, and the same shall be referred to arbitration by a person mutually agreed upon or failing agreement within fourteen (14) days of receipt of such notice by some person appointed by the President for the time being of the Institution of Electrical Engineers. This provision shall be deemed to constitute a submission to arbitration within the meaning of the Arbitration Act 1950 or any statutory modification or re-enactment thereof.

## 12. Guarantee

12.01 All goods supplied in conformity with the contract are supplied subject to and with the benefit of the manufacture's guarantee (if any) and the Company undertakes no further guarantee in respect thereof.

12.02 The workmanship of the Company is guaranteed for a period of twelve (12) months from the date on which all work under the contract is completed, subject to the conditions set out below.

12.03 The Company shall not be responsible for damage injury or loss of any kind whatsoever to any property or persons or animals or product (including milk) howsoever caused arising from the use of electricity or otherwise in connection with the erection or use of the plant supplied or generally in connection with or arising out of the installation of the goods.

12.04 The Company shall not be responsible for damage illness injury disease or incapacity of any animal caused by or arising from or attributable whether directly or indirectly to the use of the goods supplied.

12.05 The Company shall not be responsible for any additional risks which the Customer's insurance company may consider to have been undertaken by reason of the delivery and/or installation and/or use of the goods supplied. The Customer in order to safeguard his own interests should at once notify his insurance company of this order.

12.06 The Company's liability under clause 12.02 of these conditions shall cease if

12.06.1 The Customer shall not have paid in full all invoices for goods supplied by the Company, or

12.06.2 The Company's representatives are denied full and free right of access to the goods, or

12.06.3 The Customer permits persons other than the Company or those approved or authorized by the Company to effect any replacement of parts maintenance adjustments or repairs to the goods

12.06.4 The Customer has not properly maintained the goods in accordance with instructions pamphlets or directions given or issued by the Company from time to time, or

12.06.5 The Customer uses any spare parts or replacements supplied by it or fail to follow the Company's instructions for the use of same.

12.07 Should default be made by the Customer in paying any sum due under any order as and when it becomes due the Company shall have the right either to suspend all further deliveries until the default be made good or to cancel the order so far as any goods remain to be delivered thereunder.

12.08 The Customer shall indemnify the Company against all damages penalties costs and expenses to which the Company may become liable if any work done in accordance with the Customer's specifications involves any infringement of a registered design or patent.

Registered Office: St Ethelbert House,  
Ryeland's St, Hereford, HR4 0LA

Company Reg No. 2814061  
VAT Reg. No. 594 331821



CERTIFICATE NO. 38490