

# BRUNTON'S PROPELLERS LIMITED

## STANDARD TERMS AND CONDITIONS OF SALE

These conditions shall apply to all tenders, quotations and orders made or accepted by Brunton's Propellers Ltd ("the Company") to the exclusion of any other terms and conditions whether or not the same are endorsed upon, delivered with or referred to in any purchase order or other document delivered by the Purchaser to the Company.

### 1. GENERAL

Unless otherwise agreed in writing all quotations, tenders and orders made or accepted by the Company are subject to the following conditions. Quotations made and tenders submitted by the Company are offers for sale and any purchase order is subject to acceptance by the Company.

### 2. LIMITS OF CONTRACT

Quotations or tenders include only such goods, accessories, quantities and services as are specified therein.

### 3. VALIDITY

Unless otherwise stated prices quoted are those current on the date of quotation and are valid for thirty days thereafter.

### 4. PRICE

4.1 Prices quoted are subject to adjustment in accordance with any tax, surcharge or other levy subsequently imposed by the U.K. Government.

4.2 Prices quoted assume that the Purchaser accepts the Company's quotation or tender in all respects. Should the Purchaser and the Company agree to any departure from the quotation or tender the Company reserves the right to alter the price accordingly. Should any price quoted be subject to variation the basis of such variation shall be shown in the Company's quotation. Purchase orders must be accompanied by sufficient information to enable the Company to proceed with the order forthwith. Otherwise the Company shall be at liberty to amend the prices quoted to cover any increase in costs which takes place after acceptance.

### 5. DAMAGE IN TRANSIT

When the price quoted includes delivery the Company will repair or replace free of charge goods damaged in transit provided the carriers and the Company receive written notification of such damage within seven days of delivery. The Company shall not be responsible for any damage sustained after the goods have been unloaded at the agreed point of delivery.

### 6. SPECIFICATION AND PERFORMANCE

6.1 All specifications, drawings and other data submitted with a tender or quotation are approximate. Descriptions and illustrations contained in catalogues, prices lists and other advertising matter issued by the Company are intended only to present a general idea of the goods and none of these documents shall form part of any contract unless expressly stated. Drawings, specifications and other data issued by the Company for the purpose of any contract or prospective contract remain the property of the Company and shall be treated as confidential by the Purchaser.

6.2 Performance figures given are based upon experience and are such as the Company expects to obtain on test: The Company accepts no liability if such performance is not attained in use unless it is expressly guaranteed in the Contract. Where such guarantee is given it shall be without prejudice to the provisions of Clause 14 thereof.

6.3 It is the Purchaser's responsibility to satisfy himself that the specification offered by the Company defines goods which are sufficient and suitable for the Purchaser's purpose.

### 7. INTELLECTUAL PROPERTY RIGHTS

7.1 Unless expressly stated to the contrary and embodied in the Contract all Intellectual Property Rights in respect of the goods and services vested in the Company.

7.2 Where goods are not of the Company's design the Purchaser will indemnify the Company against any claims for damages in respect of any infringement of Intellectual Property Rights whatsoever made by a third party.

### 8. ALTERATION OR CANCELLATION OF ORDER

8.1 On receipt of any subsequent instructions which alter the Contract the Company reserves the right to halt production, or delay delivery until revised prices have been agreed. If, however, such instructions require immediate action by the Company such action will be taken only on the strict understanding that any reasonable adjustment to price made by the Company will be paid by the Purchaser.

8.2 If work is suspended on the Purchaser's instruction or lack of instructions or information any extra expenses thereby incurred shall be payable by the Purchaser.

8.3 Should the order be cancelled by the Purchaser (for reasons other than failure by the Company) the Purchaser shall pay to the Company an amount equivalent to the sales value of the actual and committed expenditure at the time of cancellation, plus a sum equivalent to 20% of the balance of the Contract price.

8.4 If the Purchaser shall fail to make any payments, or being an incorporated Company shall have a Receiver appointed or shall pass a resolution for winding up or a Court shall make an order to that effect, or not being an incorporated company shall have a receiving Order made against him or enter into any arrangement with his creditors, or if there shall be any breach by the Purchaser of any of the conditions of this Contract the Company may, at its option and without prejudice to its other rights under the Contract, cancel the Contract or refuse to make any further deliveries thereunder.

### 9. DELIVERY

The delivery period shall run from the date of acceptance of the order by the Company or when the Company receives information and drawings necessary to enable the work to proceed whichever is the later. While every effort will be made to deliver by the dates quoted no liability shall be accepted by the Company for failure to meet such dates.

### 10. DESPATCH

The Purchaser shall provide the Company with full instructions for delivery of the goods. Unless otherwise stated the price quoted shall be ex works.

### 11. DELIVERY TAKING OVER AND PASSING OF PROPERTY

Without prejudice to any of the Seller's other rights under the Agreement between the parties notwithstanding delivery of any goods, the Property in the goods shall remain with the Seller until they have been paid in full in cash therefor. If such payment is overdue in whole or in part the Company may (without prejudice to any of its other rights) recover or re-sell the goods or any of them and may enter upon your premises for that purpose, a licence for which purpose is hereby granted, if any of the goods are incorporated in other goods before such payment the Property in the goods delivery by us shall nevertheless be and remain with us until such payment has been made provided that where any goods delivered under this Contract have been sold by you either in their original form or after further processing or incorporating in some products then you shall be trustee for us of the proceeds of sale thereof or of any claim by you in respect of such goods. Notwithstanding the above, risk in the goods shall pass to you upon delivery (and you should therefore insure).

### 12. STORAGE

Should storage charges be incurred by the Company due to instructions or lack of instructions or information from the Purchaser, the Purchaser shall pay such charges and the additional cost of insuring the goods.

### 13. PACKAGING

13.1 Unless otherwise stated packaging will be in accordance with the Company's standard packaging and is not returnable.

13.2 The Company accepts no liability whatsoever for damage in transit on the grounds of alleged unsuitability of packaging.

### 14. GUARANTEE

14.1 Subject to Clause 14.2 the Company undertakes during a period of twelve months from the date of delivery and provided the goods have been subject to proper use and storage to replace or at its option repair at its Works goods which prove to be defective due to faulty materials or workmanship. The guarantee is given in lieu of any liability or guarantee implied by law in respect of the liability of the Company. Defective items or parts thereof must be promptly returned to the Works of the Company. If the defect is found to have arisen under conditions covered by this guarantee then the Company will repair or replace the defective part and send the repaired or replacement part free of charge. If, however, the goods are found either to be serviceable or to be defective for reasons outside the guarantee then, the entire costs of the test, repair or replacement and carriage shall be borne by the Purchaser.

14.2 In respect of parts of components with a finite life not manufactured by the Company the Purchaser shall receive only such guarantee as shall be given by the manufacturer or supplier thereof to the Company.

14.3 The benefits of sub-clause 14.1 and 14.2 shall apply to any goods repaired or replaced in accordance with the terms hereof.

14.4 This guarantee shall not apply to goods or parts thereof which have been altered by the Purchaser with the express agreement of the Company or which exhibit wear or damage caused wholly or partially by improper operation, excessive stressing, sandy or polluted water, depositing of or intrusion of extraneous bodies, or defective shipbuilding or machinery work or defects caused by vibration characteristics of a ship or engine.

### 15. TESTS

The Company's products are carefully inspected and, where practicable, submitted to the Company's standard tests. If special tests or tests in the presence of the Purchaser or the Purchaser's representative are required, such tests, unless otherwise agreed, shall be made at the Company's Works and shall be charged extra. In the event of any delay on the part of the Purchaser in attending after seven days notice that the goods are ready for test, the tests shall proceed in the Purchaser's absence and shall be deemed to have been made in the presence of the Purchaser.

### 16. TERMS OF PAYMENT

Payment shall be as specified in the Company's quotation including as appropriate, a down payment with the balance due within the month following notification by the Company that the goods have been tested under Clause 15 or are ready for despatch.

### 17. DEFECTIVE PRODUCTS AND CONSEQUENTIAL LOSS

Items represented by the Purchaser to be defective shall not form the subject of any claims for work done by the Purchaser or for any actual or consequential loss, damage or expense whatsoever arising directly or indirectly from such defects but such Products if returned to the Seller and accepted by it as defective will at the request of the Purchaser and if practicable be replaced as originally ordered. Defects in quality or dimensions in any delivery shall not be grounds for cancellation of the remainder of the Order or Contract.

### 18. HEALTH AND SAFETY INDEMNITY

The Purchaser shall indemnify the Seller in respect of any liability, monetary penalty or fine in respect of, or in connection with the Products incurred by the Seller under the Health and Safety at Work Act 1974 or any statutory modification or re-enactment thereof or any regulations, orders or direction made thereunder.

### 19. LEGAL CONSTRUCTION

All Contracts shall be construed in accordance with English Law and all disputes which may arise under or in connection with the Contract shall be submitted to arbitration in accordance with the Arbitration Act 1950 and any statutory modification or re-enactment thereof.