



Standard Conditions of Supply

These conditions shall apply to any contract ("the Contract") between Kaurus Limited ("Kaurus") and any person, firm or company ("the Purchaser") placing an order with Kaurus for the manufacture and/or supply of equipment, machinery, components, services or other items ("Equipment") within the United Kingdom. Kaurus Limited is a company registered in England under number 4464512 and whose registered office is at 135 Lord Street, Hoddesdon, Herts, EN11 8NG.

1 Orders

Kaurus will be under no liability for any order received until the order is accepted in writing. Kaurus's order acceptance shall form part of the Contract. An accepted order may only be cancelled or varied with Kaurus's consent and the giving of such consent shall not in any way prejudice Kaurus's right to recover from the Purchaser full compensation for any loss or expense arising from such cancellation or variation.

2 Prices

Prices quoted on a quotation or order acceptance for Equipment do not include (i) Value Added or other sales taxes, which will be charged extra at the prevailing rate(s), (ii) any special packing required by the Purchaser, which will be charged extra, or (iii) the cost of effecting delivery in accordance with Clause 3, which will be included in the final invoice and shall be paid for by the Purchaser.

Notwithstanding any price specified in the order acceptance, the price of any item of Equipment may be that ruling on the date of its despatch.

3 Delivery

(a) Within the United Kingdom delivery shall take place when Kaurus delivers Equipment to any address specified by the Purchaser. At the Purchaser's request Kaurus will, as the Purchaser's agent and at the Purchaser's cost, arrange: (i) to ship Equipment to the destination specified by the Purchaser, and (ii) to insure Equipment during shipment in accordance with the Institute of London Underwriters Institute Cargo Clauses (All Risks), Institute War Clauses, Institute Strikes, Riots and Civil Commotions Clauses, provided that Kaurus shall be under no liability whatsoever for any loss or damage arising through the choice of carrier or any act or omission of the carrier or otherwise resulting from such agency arrangements.

(b) Time of delivery. Kaurus shall use all reasonable efforts to deliver Equipment in accordance with times specified but shall not be liable for any loss or damage arising from late or non delivery.

(c) Storage. Where the Purchaser notifies Kaurus that it is unable to take delivery of Equipment in accordance with the times stated in the order acceptance or within seven days of Kaurus giving written notice that Equipment is ready for despatch, Kaurus shall endeavour to store Equipment and the Purchaser shall reimburse Kaurus with the cost of storage of Equipment until delivery. Where storage is not at Kaurus's premises storage shall be at the Purchaser's risk.

(d) Instalment delivery. Where Equipment is to be delivered by instalments or against call-off and the Purchaser: (i) fails to accept any delivery when due or in case of call-off fails to accept outstanding deliveries within twelve months of the date of order acceptance, or (ii) defaults in making any payment when due Kaurus may cancel any or all subsequent deliveries and the Purchaser shall compensate Kaurus in full for any loss or expense arising from such cancellation.

4 Title and Risk

(a) (i) Risk in Equipment shall pass to the Purchaser when Equipment is delivered to the Purchaser as specified under Clause 3. Notwithstanding the risk passing full legal and beneficial title to Equipment shall only pass to the Purchaser when the full purchase price has been paid. Until such time the Purchaser shall store Equipment separately from other equipment not being the property of Kaurus or to be readily identifiable by Kaurus. (ii) If the Purchaser shall sell Equipment before payment in full has been made the Purchaser shall hold the proceeds of the sale as trustee and agent for Kaurus and shall not mix any of the proceeds of sale with his own monies, but shall ensure that all such receipts are kept separate and identifiable. (iii) At any time after payment has become due, Kaurus has the right to enter upon the Purchaser's premises and/or elsewhere where Equipment may be to repossess Equipment owned by Kaurus.

(b) Until ownership in Equipment passes from Kaurus under subclause (a) hereof the Purchaser shall keep and maintain Equipment in the condition which it was delivered to the Purchaser.

(c) Title to all drawings and models prepared by Kaurus shall remain in Kaurus but the Purchaser shall be liable for any loss or damage to such drawings or models while they are in the Purchaser's possession.

5 Loss or Damage in Transit

(a) Inspection. The Purchaser shall examine Equipment on its delivery for any obvious damage or shortage.

(b) Damage and short delivery. Any claim that Equipment is damaged or short delivered must be communicated in writing to both Kaurus and the carrier within three days of delivery. Any other claim that Equipment is not in conformity with the despatch note must be communicated to Kaurus within seven days of delivery.

(c) Non-receipt. Non-receipt shall be reported to both Kaurus and the carrier within 14 days of the date of advice of despatch note.

(d) Failure to Claim. If the Purchaser fails to give notice in accordance with this Clause, the Purchaser shall be deemed to have accepted: (i) delivery; and (ii) Equipment of the quality and in the quantity specified in the Contract and accordingly shall be liable to pay for the same.

6 Payment

Payment terms are as laid down in Kaurus's official quotation: Kaurus may add interest to the outstanding balance of overdue accounts at the rate of 3% per month, accruing daily.

7 Force Majeure

Should the manufacture or delivery of Equipment be prevented or delayed by

any act or circumstance beyond Kaurus's immediate control (which shall include, but not exclusively, any industrial action or labour dispute whether by Kaurus's or a third party's workmen, war or local or national emergency or breakdown or accident to plant or machinery or inclement weather), or Kaurus's failure for any reason to obtain materials for Equipment from a third party,

Kaurus may, without incurring liability to the Purchaser, suspend the Contract and, after six months' suspension terminate it.

8 Health and Safety

The Purchaser shall ensure that Equipment is used in accordance with any relevant information or advice which Kaurus may make available to the Purchaser.

9 Warranties

(a) Specifications. Only the specification of Equipment referred to in the order acceptance shall form part of the Contract; Kaurus shall ensure that Equipment substantially complies with that specification but otherwise reserves the right to alter Equipment without reference to the Purchaser.

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(b) **Materials and Workmanship.** Subject to the following limitations Kaurus warrants that Equipment supplied by Kaurus is free from defects in materials and workmanship provided that this warranty does not cover: (i) any Equipment or parts thereof which have been manufactured by a third party (Kaurus will, if permitted, pass on to the Purchaser the benefit of any warranty or guarantee given by the manufacturer of such Equipment or parts thereof) or (ii) damage arising through accident, misuse or unauthorised repair of Equipment

(c) **Warranty Claims.** Any claims under this clause must be made by the Purchaser in writing and received by Kaurus prior to the earlier expiry of: (i) twelve months from the date of delivery of Equipment to the Purchaser or, (ii) the rated life of Equipment.

(d) On receipt of a claim under subclause (c), Kaurus shall be entitled to inspect Equipment and Kaurus shall direct the Purchaser either: (i) at Kaurus's discretion to return Equipment or parts thereof (carriage and insurance paid) to Kaurus, or (ii) to receive Kaurus's engineer at the place where Equipment is installed; the travel and accommodation expenses of such engineer shall at Kaurus's discretion be for the Purchaser's account. Where Kaurus is satisfied that any claim is within this warranty, Kaurus will repair or replace free of charge any defective Equipment. The Purchaser may be required to reimburse Kaurus for any insurance, freight or other charges incurred in shipping any spare or exchanged parts or the repaired Equipment to the Purchaser. Any Equipment or part that is replaced shall become the property of Kaurus.

(e) **Patents.** Kaurus indemnifies the Purchaser against loss arising from any claim that Equipment infringes a third party's patent or other intellectual property rights provided that the Purchaser shall immediately notify Kaurus of any such claim and Kaurus shall have the sole conduct of any proceedings. At Kaurus's request and expense, the Purchaser will render assistance to Kaurus in defending such claims. Where Kaurus manufactures Equipment to the Purchaser's design, the Purchaser indemnifies Kaurus against loss arising from any claim that the manufacture or sale of such Equipment in accordance with the Purchaser's design infringes any third party's patent or other intellectual property rights.

(f) **Injury to Persons and Damage to Property.** Kaurus shall only be liable for loss which directly arises from any injury to persons or damage to tangible property where and to the extent that such injury or damage is caused by any defect in or malfunctioning of Equipment and where such defect or malfunction is caused by Kaurus's negligence.

(g) **Limitation of Liability.** Except as provided under subclauses (b) to (f), Kaurus shall not be liable for any costs, claims, loss, damage including consequential loss or damage or injury to persons of whatsoever nature or howsoever caused and all other conditions, warranties, and representations, statutory or otherwise, relating to Equipment (including its fitness for any purpose) are excluded from the Contract so far as is allowed by law.

10 Software

The Purchaser shall not acquire rights in any downloadable software which may be delivered with Equipment except as may be granted by Kaurus's standard software licence.

11 Installation

Where Kaurus agrees to install Equipment, Kaurus will provide for the requisite skilled supervision. The Purchaser shall provide all necessary facilities at its expense including all labour, access to the installation site, proper foundations for Equipment, adequate facilities and apparatus to move Equipment, and suitable protection for Equipment.

Risk of damage to Equipment during installation shall lie with the Purchaser (who is advised to take out appropriate insurance). The Purchaser shall indemnify Kaurus, its servants and agents against all costs, claims, loss, damage or injury to persons of whatsoever nature or howsoever caused arising during installation except for injury to persons or damage to tangible property where and to the extent that such injury or damage is caused by Kaurus's negligence.

12 Assignment

The Contract is not assignable by the Purchaser without the written consent of Kaurus and is between Kaurus and the Purchaser as principals but Kaurus may without consent (but without reducing its obligations under the Contract) assign or sub-contract all or any of its rights and obligations hereunder.

13 Termination

If the Purchaser becomes insolvent or makes default in or commits a breach of the Contract, Kaurus may forthwith on written notice to the Purchaser terminate the Contract without incurring liability to the Purchaser and without prejudice to Kaurus's rights which may have accrued up to the date of termination.

14 Interpretation

These Conditions shall apply to the exclusion of any of the Purchaser's conditions. No variation or addition to these Conditions shall be effective unless contained on the face of the order acceptance or in a written instrument signed by a Director or a duly authorised representative of Kaurus and a copy of such instrument is annexed to the order acceptance. The interpretation and application of the Contract shall be in accordance with English Law and any claim shall be under the jurisdiction of the High Court of Justice in England.

Kaurus Limited