

## Terms Of Business And Conditions Of Sale

The following terms of business are in relation to Proel International's conditions of sale. Proel International shall henceforward be referred to as 'The Vendor'. An 'Applicant', is any person, firm, company or organisation who applies to the Vendor for trade terms. The 'Purchaser' is any Applicant to whom or to which the Vendor agrees to sell 'Goods' and such agreement will be known as 'The Order'. The term 'Goods' will be those unit products, accessories, repairs and other services. Trade terms will only be granted by the Vendor to Applicants which are legally constituted companies or traders operating as stocking resellers of the Vendors goods, trading from recognised commercial premises, who have been visited and approved by the Vendor's Area Sales Managers or Directors, or who have been accepted by the Vendor without a visit, but in all cases have accepted Proel International's conditions of sale by signing and returning to Proel a fully completed application for trade terms.

### New Accounts Newly Opened Account Established Accounts

To be granted trade terms by the Vendor on a pro-forma or trade account basis, the applicant must provide satisfactory trade, private and/or bank references, or otherwise satisfy the vendor of the applicant's Bona Fides. After acceptance by the vendor of the applicant's application and the granting of trade terms by the vendor, the applicant's status will change to the purchaser and the vendor will supply goods to the purchaser, initially on a pro forma basis.

Once a trade account has been granted our terms are net 30 days from date of invoice. The vendor reserves the right to suspend and or terminate accounts which exceed this period. Lapsed accounts will be terminated. In the event of default from our terms of business the vendor shall be entitled to recover compound interest at the rate of 5% per month on outstanding indebtedness to the date of payment.

Please note that pro forma accounts must pay for goods by cleared funds. Pro forma orders are not reserved by the vendor pending receipt of payment. In the case of pro forma accounts, if cleared funds are not received by the vendor within 7 days of the order date, the order shall be deemed to be cancelled.

The vendor will consider granting credit terms solely at its discretion.

The vendor may offer a settlement discount allowable only if payment is received strictly within the settlement period, which is 7 days and all previous invoices are cleared in full. The settlement rate is currently 2.5%. Settlement discount does not apply to carriage charges and in accordance with VAT legislation the VAT is calculated at the settlement value of the invoice.

The vendor reserves the right to review account status and credit limits without notification to the purchaser. We reserve the right not to supply merchandise to any company that trades in competition with us.

### Standard Orders

The vendor will endeavour to provide a same day service to all orders subject to prevailing circumstances. The vendor with discretion will have the right to substitute such similar goods as it shall reasonably deem expedient and any such substitution shall not give rise to any claim against the vendor, provided that such an act shall not have substantially diminished the quality and or performance of said goods. Orders or part orders for goods out of stock for which the vendor is unable to substitute will be held outstanding until such time as stocks allow the vendor to despatch. If no time for delivery is specified and unless the purchaser notifies the vendor in writing to the contrary, the purchaser shall be bound to accept the remaining goods when despatched.

### Order Cancellations

In exceptional circumstances and solely at the discretion of the vendor, cancellations may be accepted. Verbal cancellations will only be valid if they are confirmed in writing by the purchaser and sent to the vendor by recorded delivery post, facsimile transmission or e-mail.

### Special Orders

Special orders in specific sizes and or finishes will be supplied by the vendor wherever possible, subject to an acceptance by the purchaser that the order cannot be cancelled, or the goods returned and all sizes and specifications are provided to the vendor by the purchaser in writing. In certain instances and before acceptance of such special orders, the vendor will require a deposit of 50% of the total purchase price.

### B Stock

Orders placed for goods that are from our B stock, being products that are soiled, damaged, faulty and not first grade are bought and sold strictly on the basis that the purchase contract at the agreed pricing is irrevocable and that B stock will not be accepted for credit or replacement.

### Price, Specification and Availability

From time to time it may become necessary to amend our prices without prior notice and we therefore reserve the right to alter prices at any time. Back order items will be invoiced at the price ruling at the date of despatch, which will not necessarily agree with the prices in force at the time of ordering. The vendor further reserves the right to alter product specifications and or withdraw products without notice. All products are subject to availability. All details should be confirmed at the time of ordering. All prices exclude VAT.

### Payment

Payment is accepted by cheque, debit card, credit card (which will incur a 2% Surcharge), cash, bank draft or direct bank transfer. Goods will only be despatched against cleared funds in the case of pro forma accounts. The vendor may use the services of a third party company to guarantee cheques. A surcharge may be levied for this service. The vendor may accept foreign currency but additional charges may be made. Such monies will have a sterling value equal to the NET amount after charges at point of exchange by the UK bank.

### Returned cheques, Credit Card Payment chargebacks

In the event of a cheque being returned 'refer to drawer' or 'stopped' or a credit card company charging back a payment, the vendor will invoice the purchaser bank charges and any other additional administrative costs incurred.

### Overdue Accounts

In the event of non payment within one month of statement date, after the delivery of goods the vendor reserves the right to withdraw trade account facilities. During any period of credit referral no transactions relating to new orders, replacement orders, warranty or service work will be undertaken. The vendor reserves the right to exercise its discretion and revert a purchaser to pro forma terms, or withdraw trade terms totally.

### Additional Conditions

All invoices are due for payment as per our agreed terms. Any invoice outstanding beyond this period will be referred to our nominated debt collection agent and will be subject to a surcharge of 15% plus VAT to cover the collection costs incurred. This surcharge together with all other charges and legal fees incurred will be the responsibility of the purchaser and will be legally enforceable.

### Delivery of Goods

There is a delivery charge for all goods sent by our carrier companies. For more information on carriage costs, please ask at the time of placing your order.

### Risk

Risk for the goods will pass to the purchaser from the date of delivery by the vendor to the purchaser, or from the date the purchaser's agent collects the goods from the vendor, or from the date of delivery by an independent carrier to the purchaser whichever is the case.

### Returns Faulty Goods

To increase the efficiency of the returns system for the benefit of the purchaser the vendor operates a returns number system. The purchaser must receive a returns authorisation number from the vendor prior to returning goods. This number must be clearly marked on the outside of the carton containing the goods. The vendor reserves the right to refuse delivery of returns which have not been allocated a returns authorisation number. Any goods suspected to be faulty must be returned to the vendor for inspection in the original condition and packaging. The vendor offers a return to base service, but the vendor does not undertake to reimburse carriage costs incurred in the return of goods and reserves the right to repair or replace any such articles at its discretion. A re-stocking charge of 20% will be made for goods returned for credit which were correctly supplied by the vendor. The purchaser must thoroughly check and test all goods received from the vendor immediately upon receipt. It is the purchaser's responsibility to ensure that goods offered for sale to the consumer comply with requirements of all the prevailing consumer protection legislation and regulations. Refunds and or exchanges offered or provided by the purchaser to the consumer without reference to the vendors conditions of sale are made entirely at the discretion and risk of the purchaser. Any claim to the vendor to rectify goods received faulty shall be at the discretion and risk of the purchaser.

Any claim to the vendor to rectify goods received faulty shall be accompanied by a quotation from a competent technician and or engineer. If the vendor approves the quotation, the vendor will notify the purchaser and in such an instance, the vendor shall supply all parts necessary free of charge. The vendor retains the right if it does not approve the quotation either to exchange the article rather than pay for its repair or to require the purchaser to obtain an alternative quotation. The vendors responsibility for considering and or accepting a claim other than to replacing faulty parts in respect of faulty goods is conditional upon the purchaser testing and checking the goods as stipulated and notifying the vendor immediately of any fault. The vendors responsibility in respect of agreed labour costs for the repair of faulty goods ceases either ten working days after delivery of the goods to the purchaser or at the time of sale of the goods by the purchaser to his customer, whichever is earlier.

### Repairs

The purchaser is responsible at his expense for all after-sales servicing of all goods supplied by the vendor and the purchaser must maintain adequate after-sales service facilities and staff to undertake such responsibility. The vendor is responsible for providing technical advice and parts under guarantee to the purchaser. Replacement parts will be invoiced at cost and credit will be passed for defective parts (if under guarantee) once returned by the purchaser to the vendor. The vendors own Technical and Service Departments will act as a back-up (not a substitute) facility to that provided by the purchaser and may at the vendors sole discretion accept to repair and or service goods on behalf of the purchaser. In such an instance carriage both to and from the premises of the vendor is the responsibility of the purchaser.

### Shortages/Damages

The purchaser must notify the vendor within 3 days of receipt of goods.

If the purchaser should receive goods from the vendor that appear to be damaged or open in any way, the purchaser is required to endorse the carrier's delivery document accordingly and ensure that the delivery document is signed for as damaged and or to refuse delivery based on damage and or tampering of the consignment. On receipt of the consignment the purchaser must thoroughly check and test (where appropriate) the goods. If goods are found to be missing, incorrect, and or damaged the purchaser is required to notify the vendor in writing within three days of delivery. At that time the purchaser is required to furnish the vendor with a photocopy of the vendor's delivery note or the actual delivery note itself, together with the full details of missing or incorrect goods or the nature of the damage to items as listed in the delivery note. The vendor will on receipt of this information instigate a claim against the carrier. The purchaser must retain packing for inspection. The vendor's responsibility is conditional upon the purchaser following the aforementioned procedure.

### Non Delivery

Non receipt of goods should be notified to the vendor within 7 days after receipt of the vendors invoice. Any such claim shall be deemed by the vendor to have been waived if outside the 7 day period, otherwise the vendor will instigate the necessary enquiries and make a claim against the carriers.

### Guarantee

The purchaser is responsible for passing on to the end consumer any benefit of a manufacturers guarantee. The purchaser is responsible for the after sales service of all merchandise sold under guarantee (see repairs). At its sole discretion the vendor may assist the purchaser and if prior arrangements have been made with the vendor for goods to be returned for inspection, the vendor undertakes to assist with the repair (or if unable to repair replace or credit) of goods which are shown to the vendors satisfaction to be defective due to faulty material or workmanship. Fair wear and tear, neglect or abuse is excluded from this guarantee. Where a guarantee is given and not fulfilled, reasonable time and opportunity shall first be given to the vendor to comply with the terms of the guarantee eg supply repair parts. If the vendor fails to comply with the guarantee the purchaser may, after negotiation with the vendor, return such goods which fail to comply with the guarantee but in the case of consignments consisting of several identical units such rights to return shall only extend to the unit(s) which are agreed to be deficient. The vendor shall credit to the purchaser the price of goods so returned subject to a reasonable deduction for any use had by the end user of such goods and such credit note will completely exonerate the vendor from any other liability or payment whatsoever arising (please also see our returns policy). The carriage of such units or other goods to and from the vendor shall be at the expense of the purchaser. The purchaser is requested to encourage customers to complete and return any guarantee and or warranty cards that may be included with any merchandise supplied by the vendor.

### Specifications and Performance

Specifications and other descriptions issued by the manufacturer in connection with goods are intended to be accurate but carry no guarantee or warranty unless on request a guarantee is given to the purchaser separately in writing and in each particular case. The manufacturers specifications could on occasions vary and should this occur the vendor will ensure that the goods continue to be of suitable quality. Representations as to performance relate to what the vendor or manufacturer would expect to obtain upon test but, since goods are employed in many locations and for many purposes under varying conditions of operation, the vendor cannot accept liability for failure to obtain any stated performance unless written notice of any particular purpose for which the purchaser requires the goods, has been given to the vendor at the time of purchase and this has been agreed with the vendor in writing.

### Export

Payment is accepted by direct bank transfer or bank draft preferably in sterling. Other currencies will be accepted in accordance with the terms previously laid down in the payment section of this document. Goods can be despatched on CIF, FOB or ex-works basis. All shipping costs and associated charges must be included with payment for the order. When goods are supplied ex-works the Company may make a charge for packing and documentation. VAT exemption is subject to the laws and codes of practice laid down by Customs and Excise. If the vendor is in any doubt as to the exemption status of the purchaser, VAT will be added to the sale.

It is the purchasers responsibility to ensure that the vendor's products do not infringe any third party's patent, design, or trade mark rights in the purchaser's sales territory. The vendor accepts no responsibility in this regard. It is the purchasers responsibility to ensure the vendors products comply with legislation in the purchasers sales territory. The vendor accepts no responsibility in this regard.

### Title to Goods

Goods and services supplied by the vendor to the purchaser, remain in the property of the vendor until such time as the purchaser has paid the vendor in full for all goods and services supplied. The purchaser will store the goods supplied by the vendor in a way which makes them clearly identifiable as the vendor's property or maintains records of goods owned by the vendor and shall identify them to the vendor on demand. Failing such identification, all goods supplied by the vendor in the purchasers possession shall be deemed to belong to the vendor. Any products of identical type supplied by the vendor to the purchaser over a period of time and on a number of different invoices, any stock remaining unsold at any time will be taken as relating to that supplied on the most recent invoice(s). If unpaid for goods are sold to a third party by the purchaser, then title to the goods remains with the vendor until such time as the purchaser pays the vendor for such goods. If the purchaser fails to make payments when due, enters into bankruptcy, liquidation, has a receiver or manager appointed over any of its assets or becomes insolvent, or if the vendor has a reasonable cause to believe that any of these events may occur, the vendor shall have the right, without prejudice to any other remedy of the vendor to repossess the goods without prior notice and the purchaser will permit the vendor, or its agents to enter any premises for the purpose of such possession.

### Disputes

These conditions of sale and the contract between the vendor and the purchaser shall be governed by and construed in accordance with English law. The Courts of England will have sole jurisdiction to hear and to make judgement on, all disputes arising between the vendor and the purchaser.

### Proel International's Bank Details

Bankers:	Bank of Scotland 8 Air Street Brighton BN1 3FB
Sort Code:	12-12-68
Account Number:	06043803
Account Name:	Proel International Ltd