

Zot Engineering Ltd Conditions of Sale

These Conditions of Sale apply to all sale of goods by Zot Engineering Limited (the "Seller"):-

1. CONDITIONS TO PREVAIL

Unless otherwise agreed in writing by the Seller, these Conditions of Sale shall override any terms or conditions stipulated, incorporated or referred to by the Buyer, whether in the order or in any earlier negotiations.

2. NO ACKNOWLEDGEMENT OF ORDER

The Seller shall be under no obligation to acknowledge receipt of an order from the Buyer, and shall be entitled to execute the order without further reference to the Buyer.

3. PRICES

Prices are the Seller's prices ruling at the date of despatch (unless otherwise agreed in writing). If extra expense is incurred as a result of the Buyer's instructions, or lack of instructions, the Seller shall be entitled to recover such extra expense from the Buyer.

4. TERMS OF PAYMENT

- a) Credit accounts may be opened, subject to satisfactory credit references being obtained, in the sole discretion of the Seller. Payment for goods supplied on a credit account shall be due and payable not later than the last day of the month following the month of delivery of the goods. If the Buyer defaults in making payment as aforesaid the entire balance of the account of the Buyer shall be payable forthwith and the Seller shall be entitled to charge interest on the account, together with cost and expenses, in accordance with clause 1 (e).
- b) For all other transactions payment shall be in cash with order.
- c) The Buyer may not withhold payment of any invoice or other amount due to the Seller by reason of any right of set off or counterclaim which the Buyer may have or allege to have for any reason whatsoever.
- d) Credit Facilities may be withdrawn, reduced or restricted at any time in the sole discretion of the Seller.
- e) If the Buyer fails to make any payment on the due date then, without prejudice to any other right or remedy available in the contract, the Seller shall be entitled to:
 - 1) Charge interest to the Buyer at the rate of 4% above the base rate from time to time of The Royal Bank of Scotland on the unpaid balance, on a day to day basis, from the due date until the date of payment after as well as before judgment and
 - 2) cancel the contract or suspend any further deliveries to the Buyer without liability on the part of the Seller and
 - 3) be indemnified by the Buyer against all costs and expenses incurred by the Seller in recovering sums due or in exercising the rights of the Seller pursuant to clause 1.
- f) Interest costs and expenses shall be due and payable pursuant to the foregoing clauses notwithstanding the fact that a portion of the account is subject to any dispute or query,
- g) Any sums due and owing to the Buyer from the Seller may at any time be offset by the Seller against any sums due and owing to the Seller from the Buyer.
- h) The Buyer agrees that the Seller may obtain, retain and provide to third parties, references as to the financial standing of the Buyer.

5. DELIVERY AND PASSING OF RISK

Any stipulated time for delivery shall date from the receipt by the Seller of the Buyers written order. For deliveries within the United Kingdom, unless otherwise agreed, the Seller shall deliver the goods to the Buyer and the goods shall be at the Buyer's risk on delivery. For delivery outside the United Kingdom, the Seller shall deliver the goods F.O.B. United Kingdom Port.

6. DELAY IN DELIVERY

Delay in delivery shall not give rise to any liability upon the Seller whether or not any time or date is given in this respect.

7. PASSING OF PROPERTY

- (a) Notwithstanding that risk in the goods shall pass to the Buyer when the goods are delivered to the Buyer, title to the goods sold to the Buyer shall not pass to the Buyer until payment shall have been made in full by the Buyer for those goods.
- (b) In the event that before title and property in the goods has passed to the Buyer, they shall have become admixed, incorporated, become constituents of, or converted into other products of or belonging to the Buyer or in his possession or control - the Seller shall be entitled to the beneficial and equitable ownership in such other products as if they were solely and simply the goods until the goods have been paid for in full by the Buyer.

8. SUSPENSION OR CANCELLATION OF DELIVERIES

If the Buyer shall fail to pay to the Seller on the due date any sum payable to the Seller under any circumstances whatsoever, or shall have a receiving order in bankruptcy made against him, or shall make any arrangement with his creditors or being a body corporate shall have a receiver appointed, or if any order shall be made or any resolution passed for winding up the same the Seller may, without prejudice to its other rights, either suspend or cancel further deliveries and debit the Buyer with any loss sustained thereby.

9. CONSEQUENTIAL LOSS OR DAMAGE

The Seller accepts no responsibility in any circumstances whatsoever for any direct or indirect consequential or economic loss or damage howsoever arising, which may be sustained in connection with goods supplied, whether such goods are of the Seller's own manufacture or not.

10. LIABILITY

- a) If the goods, or any part thereof, are defective as a result of the faulty materials or workmanship of the Seller, the Seller's liability shall be limited, at its discretion, either to replacing such goods or the defective part thereof (as the case may be) or to giving the Buyer credit for the value thereof, but no such liability shall arise unless the defect arises solely as a result of the faulty materials or workmanship of the Seller and notification of any defect is received by the Seller in writing within ten days (United Kingdom), or thirty days (Export) from receipt of the goods by the Buyer, and the allegedly defective goods are thereafter returned to the Seller carriage paid.
- b) Save as provided by operation of law or by these Conditions of Sale, all conditions and warranties expressed or implied, statutory or otherwise and all other obligations and liabilities whatsoever of the Seller whether in contract or in tort/delict or otherwise are limited to a sum equivalent to the price paid therefore to the Seller.

11. INDEMNITY

The Buyer shall indemnify the Seller against all claims in respect of any loss, injury, or damage sustained by a third party arising from the sale of the goods to the Buyer howsoever caused and also against all actions, proceedings costs, claims, demands and expenses made brought or claimed against the Seller in respect of the infringement of any patent, trade mark, registered design or similar right arising from the manufacture or supply of any goods or the doing of any work or the use of any article or material by the Seller to the design or specification or upon the instructions or order of the Buyer.

12. LIEN

In addition to any right of lien given by law, the Seller shall have a general lien upon all goods to be supplied to the Buyer in respect of all sums due from or claims against the Buyer. Without prejudice to any other rights given by law to the Seller, the Seller may upon fourteen days' notice to the Buyer sell any goods of the Buyer upon which the Seller has any lien, and where the property in such goods is at the time of such sale in the Buyer, shall be deemed to be his agent for the purpose of effecting such sale. The Seller may apply the proceeds of such sale towards the satisfaction of sums due from or claims against the Buyer without prejudice to the Seller's right to recover the balance thereof from the Buyer.

13. PERFORMANCE OF CONTRACT

Each delivery shall be considered a separate transaction and the failure of any one delivery shall not affect the due performance of the contract as regards other deliveries.

14. FORCE MAJEURE

- a) If the performance of the contract shall be delayed by any circumstances or conditions beyond the control of the Seller including (but without prejudice to the generality of the foregoing): war, industrial disputes, strikes, lockouts, riots, fire, storm, Act of God, accidents, non-availability or shortage of materials or labour, any statute, rule, bylaw, order or requisition made or issued by any Government or Government Department, local or other duly constituted authority, then the Seller shall have the right to suspend further performance of the contract until such time as the cause of the delay shall no longer be present.
- b) If the performance of the contract by the Seller shall be prevented by any such circumstances or conditions beyond the control of the Seller, then the Seller shall have the right to be discharged from further performance of and liability under the contract. If the Seller exercises such right the Buyer shall thereupon pay the contract price less a reasonable allowance for what has not been performed by the Seller.

15. LAW

The contract shall be subject to and interpreted in accordance with the laws of Scotland and the Seller and Buyer agree to submit to the non-exclusive jurisdiction of the Scottish courts.