SOUTHERN PRECISION LIMITED
TERMS AND CONDITIONS OF SALE

1.Definitions:

a, "SPL" means Southern Precision Ltd
b, "the customer" the person who agrees to buy good or services from SPL
c, "goods or services" items or services delivered to the customer in accordance with the details of the order
d, "price" shall mean the price quoted or agreed on the order
e, "delivery" shall mean the point where goods are transferred to the customer

2. Format of the contract.

2.1, These conditions of sale form the whole contract between SPL and the customer and no other express terms, written or oral, shall be incorporated into the contract.

2.2, These conditions of sale override any other terms which the customer may seek to impose.

2.3, The customers order constitutes an offer by the customer to purchase the goods from SPL on these conditions and the contract between SPL and the customer is made by SPL's acceptance of the customers offer.

3. Prices

3.1, Any quotation given by SPL is valid for 30days unless overridden by a newer quotation or otherwise stated period.

3.2, Unless otherwise stated, SPL's quotation does not include packaging and carriage, and requested documentation such as test certificates.

3.3, The price of the goods does not include Vat or any other customs duty or sales tax.

4. Materials

4.1, All orders are accepted by SPL subject to materials and components being available to SPL from its suppliers and by accepting an order SPL does not give warranty as to its availability.

4.2, In the event that the customer supplies parts or material for SPL to produce goods, no responsibility can be taken for the conformance to material specification. Where further processes are carried out by SPL in these circumstances, the goods remain the property of SPL until conditions of clause 8 are met.

5. Payment

5.1, Except in the case of customers with a pre-arranged credit facility, the goods shall be paid for prior to delivery and/or commencement of work by SPL, or on collection, as may be agreed by SPL.

5.2, SPL may in its sole discretion agree with a customer a credit facility in which event:

5.2.1, SPL will manufacture and supply goods of an invoice value up to the limit of the agreed credit.

5.2.2, SPL will invoice the customer upon the delivery of goods and the invoice will be payable by the end of the month following the month in which delivery is made unless a contrary agreement is agreed in writing by SPL.

5.3, If the customer fails to pay for the goods by the due date SPL may

5.3.1, Charge interest on overdue invoices at a rate of 3% per month calculated on a daily basis from the due date.

5.3.2, Withhold manufacture or supply any goods to the customer.

5.3.3, Appropriate any payment made by the customer to such of the goods(including good supplied under any other contract with the customer) as SPL in its sole discretion think fit.

5.3.4, Require immediate payment in respect of all other goods delivered to the customer notwithstanding any other payment terms that may have previously applied.

5.3.5, Terminate any or all contracts between SPL and the customer.

5.4, The customer may not withhold payment of any invoice or other amount due to SPL by reason of any right of set off or counterclaim for any reason whatsoever.

5.5, SPL shall have the right of set off for amounts owed to the customer against amounts owed by the customer.

6. Delivery

6.1, Delivery shall be deemed to have taken place at the moment the goods have been transferred to the customer's possession.

6.2, SPL may deliver by separate instalments, each of which may at SPL's option be invoiced and paid for as a separate contract.

6.3, If the customer refuses to accept delivery of the goods or fails to give SPL adequate delivery instructions then SPL may:

6.3.1, Store the goods until actual delivery to the customer.

6.3.2, Sell the goods at the best price readily obtainable. The customer shall be liable to pay the costs of the sale. Further if the goods are sold for less than the price payable by the customer, the customer shall be liable for the shortfall.

6.4, A delivery note which is signed by and on behalf of the customer shall be conclusive proof of delivery of the goods described by the delivery note.

7. Returns

7.1, Goods must be returned to SPL in their original condition and in their original packaging. The customer must notify SPL in writing within 7 days of delivery (as per the delivery note) of the requirement to return goods stating the relevant delivery note number. In the case where the goods delivered by SPL's transport, then SPL will arrange collection and a handling charge may be applied.

8. Property and Risk.

8.1, Ownership of the goods shall remain with SPL and will not pass to the customer until either of the following events:

8.1.1, SPL is paid for all of the goods and no other amounts are owed by the customer to SPL in respect of other goods supplied by SPL.

8.1.2, the goods have had subsequent processes applied.

8.2, If the customer is overdue in paying for the goods or other goods supplied by SPL, then SPL may, if still the owner recover and resell them.

8.3, Until the customer has paid for the goods and all other goods which SPL has supplied to the customer:

8.3.1, The customer holds goods in trust for SPL

8.3.2, If the customer sells the goods, the customer shall hold the proceeds of the sale on trust for SPL.

8.3.3, If the customer sells the goods, SPL may by written demand, require the customer to assign to SPL the customers right to recover the price from its purchaser.

8.3.4, Risk of the goods passes to the customer upon delivery.

8.3.5, The customer must insure the goods against all insurable risks for the price due to SPL.

8.3.6, If the goods are destroyed by an insured risk before the customer has paid for them, the customer shall hold the insurance proceeds as SPL's trustee.

9. Acceptance.

The customer shall be deemed to have accepted the goods upon delivery and it shall conclusively agreed that the goods are in accordance with the contract unless:

9.1 Within 7 days after delivery and prior to their use the customer serves on SPL a written notice specifying the alleged defect in the quantity, quality or state for which the goods have deviated from the order specifications. SPL must have a reasonable opportunity of inspecting or testing the goods before they are resold.

9.2, In the case of delivery by a third party, the customer must refuse parcels delivered in a damaged condition.

10. Specification

10.1, The Specification shall be that of drawings provided and or a written purchase specification. SPL reserves the right to requite in such circumstances where the purchase order specification deviates from the request for quotation or where the drawing issue status has changed.

10.2, Deviations from the drawing specification or purchase order specification must be confirmed by either party in writing, changes made by the customer during manufacture may result in an additional charge being applied to cover extra work or materials.

11. Company Liability

11.1, SPL shall have no liability for ascertaining whether the goods are suitable or reasonably fit for purpose for which they were ordered or for any other advice it may give whether by itself, its employees or agents as to the application or suitability of goods for any purpose whatsoever.

11.2, SPL shall not be liable for any loss or damage to the goods in transit that are at SPL's risk where the customers packaging and protection specification differs from that recommended by SPL.

12. Insolvency

If the customer:

12.1.1 has a petition presented for its winding up or

12.1.2 Passes a resolution for voluntary winding up

12.1.3 Enters into a voluntary arrangement with its creditors or

12.1.4 Becomes subject to an administration order or

12.1.5, Has a receiver appointed for all or its assets or

12.2 Being an individual or firm:

12.2.1, Becomes bankrupt or insolvent or

12.2.2, enters into a voluntary agreement with its creditors

Them SPL shall be entitled to treat the contract as being at an end or suspend any further deliveries under the contract. If the goods have been delivered but not paid for, the price shall become due immediately regardless of any previous agreement to the contrary.

13. Proper Law

The contract shall be governed by English law and the non-exclusive jurisdiction of the English courts.