



Smith Flow Control Ltd

STANDARD TERMS AND CONDITIONS OF SALE

1. DEFINITIONS:-

"The Company" shall mean SFC Limited its successors, and assigns.

"The Purchaser" shall mean the person, persons, Company or firm who enter into this contract with SFC Limited.

"Goods" shall mean and include all equipment and services supplied by the Company.

2. SCOPE

All Goods sold by the Company are sold subject to the conditions hereinafter set out and each condition shall be deemed to be incorporated in and be a condition of any contract between the Company and the Purchaser. The Company will deal only in Goods subject to these conditions unless expressly varied or modified by the Company in writing in the quotation. Any conditions proposed by the Purchaser unless expressly agreed by the Company in writing are otherwise excluded.

3. QUOTATIONS

Unless otherwise stated therein, every quotation submitted by the Company shall lapse if not accepted in writing within thirty days and is subject to the following:-

- i. To any express terms therein mentioned and to these standard terms and conditions.
- ii. Errors and omission excepted
- iii. Excludes packing & transport

4. ORDERS

- i. Notwithstanding anything to the contrary contained therein every quotation submitted by the Company constitutes an invitation to order only and is not a legally binding offer. Accordingly no order based on a quotation of the Company is complete and binding unless accepted by the Company.
- ii. All orders must be in writing. The Company will issue acceptance of orders on request. No order is deemed to be accepted unless confirmed in writing or goods despatched against it.
- iii. Special conditions attached to Customers' orders are not binding unless accepted by the Company in writing. Any special conditions so accepted apply only to the particular transaction concerned unless otherwise expressly agreed in writing.
- iv. The acceptance of the Purchaser's requirements 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 delivery period and/or the quoted prices to cover any increase in cost which has taken place after acceptance and the receipt of sufficient information from the Purchaser to enable the Company to process the order.
- iv. Where a drawing submitted with the contract does not agree with the particulars provided by the Purchaser, the drawing shall prevail. Where a contract provides for "quality as before" or contains similar words, the Company's obligations will be fulfilled if it delivers Goods equivalent to those delivered against the last contract made between the parties in respect of the Goods.
- v. All orders shall be priced. The price is exclusive of Value Added Tax and the Customer shall pay Value Added Tax in respect of the price at the standard rate prevailing at the date of delivery, together with all other taxes, duties or imports arising in connection with the sale.
- vii. Discounts offered on selling prices will only apply if our terms of payment are met.

5. DELIVERY

- i. The Company will use its best endeavours to adhere to dates quoted for despatch or completion of the Goods, but the Company cannot accept any liability for loss, damage, expense or consequential loss suffered by any Purchaser or any third party by reason of delay in delivery from the dates quoted.
- ii. Normal delivery terms are ex-works, despatch from Company works shall be deemed to be delivered to the Customer unless the contract states otherwise.

6. GUARANTEE

- i. The Company guarantees to make good, by replacement or other such means, at its option any defect which may appear in any Goods supplied, provided that:
 - a. The defect appears within the warranty period, and written notice of the defect is given within fourteen days of its appearance. This guarantee is limited to faulty material and workmanship only. The Company's liability under this clause is limited to the cost of replacement of Goods supplied by the Company in accordance with the Company's drawings and/or specifications. Equipment found to be defective must be returned to the Company's work, freight paid by the Purchaser, with a valid RMA (Return Material Authorisation) number. If the Company's investigation confirms that it is faulty, the Company will replace and re-despatch it without charge, but any taxes, tariffs and import duties imposed by the country of destination must be borne by the Purchaser. If the goods are not found to be faulty, the purchaser is responsible for all costs relating to the products collection or return. Products not collected or returned within six months will be scrapped.
 - b. Where Goods are expressly designed and/or supplied by the Company as being fit for a specific purpose, the Company's liability hereunder arises only if the unsuitability of the Goods for the specific purpose is notified to the Company in writing within one month of despatch. Where such design has been tested or assessed by the Purchaser and has been expressly or impliedly approved, the Company will bear no warranty liability in respect of design.
- ii. Under no circumstances will the liability of the Company extend beyond the Purchaser's ability to cancel an order. The Company will not accept any liability when its Goods are used for service conditions for which they were not designed or supplied, or where the Goods are connected to replacements for the Company's products, which have not been expressly agreed in writing by the Company warranty.
- iii. The Goods are designed only for use in accordance with the Company's operating and maintenance instructions in relation to the Goods at the time of delivery. The Company shall not be liable for any loss or damaged caused wholly or partly by the fitment to the Goods of any part, accessory or item of equipment which has not been manufactured or approved by the Company or by misuse of the Goods or failure to follow operating or maintenance instructions supplied by the Company.
- iv. The Company accepts no responsibility for any loss or damage resulting from repairs carried out by the Purchaser or a third party.
- v. Any description is given for identification purpose only and does not in law constitute a sale by description.

7. INSPECTION

Where it is arranged for the Purchaser to inspect Goods at the Company's works, every facility will be afforded to that inspector both during and after manufacture. No disassembly of completed Goods will be undertaken. If an inspector fails to meet an appointment and no reasonable notice of such failure is given, the Company reserves the right to release the Goods and the Purchaser is bound to accept without having first inspected them.

8. EXCLUSION OF LIABILITY

- i. Except as provided by clause 6 no condition or warranty that the Goods are fit for any particular purpose, whether such purpose is known to the Company or not, or that the Goods are of merchantable or any other particular quality or that they correspond with any particular description, shall be implied either by common law, statute, trade usage or otherwise.
- ii. The Company accepts no liability whatsoever, for any loss of or damage to the Purchaser's own or 'free issue' material while in the possession of or under the control of the Company or any sub-contractor.
- iii. Except as provided by clause 6 and 8 the Company accept no liability whatsoever for any loss, damage, injury or expense suffered by any Purchasers or third party whether direct or consequential and whether or not resulting from the Company's negligence or defects in Goods supplied or from any other cause.
- iv. The Contract between the Company and the Purchaser relates exclusively to the sale only of the Goods. In the event of the Company giving technical advice or assistance to the Purchaser or its principals, contractors or agents relating to the installation or arrangement of the Goods into a system or other assembly such advice or technical assistance is given gratuitously. The Company shall incur no liability in respect of such technical advice or assistance whether given negligently or not and the giving of technical advice or assistance by the Company shall not constitute a warranty or representation (whether express or implied) that the Goods are suitable for the system assembly or purpose for which the Purchaser or its principals, contractors or agents employ the Goods.



9. EXTRA COSTS

The Company reserves the right to amend the agreed prices if its own costs are affected by any alteration by the Purchaser in design, quantities, delivery or specification, or suspension of work due to the Purchaser's instructions or lack of instructions.

10. PAYMENT

- i. Terms and conditions of payment are 30 days from invoice date unless otherwise stated in the quotation or the acknowledgement of order. All payments shall be made in full without deduction in respect of any right of set-off or counter-claim.
- ii. If the Customer fails to make due payment under the contract, the Company shall be entitled to interest at the rate of 3% above the London Inter Bank Offer Rate (LIBOR) on all outstanding sums from the date that payment fell due until payment is received.

11. TITLE AND RISK

- i. Ownership of the Goods will only be transferred to the Purchaser when the Purchaser has paid the full purchase price of the Goods and all other sums due to the Company of any nature whatsoever that are owing to the Company.
- ii. If any of the Goods are processed in other Goods before payment in full has been received by the Company the Goods, including all if any other Goods as aforesaid, shall be the property of the Company and the Purchaser hereby declares himself trustee of such Goods for the Company until such payment is made and the Purchaser shall hold such Goods and any proceeds of sales of such Goods and any rights arising from any sale thereof as trustee for the Company.
- iii. Risk of damage to or loss of the Goods shall pass to the Buyer in the case of Goods to be delivered at the Seller's premises at the time when the Seller notifies the Buyer that the Goods are available for collection: or in the case of Goods to be delivered otherwise than at the Seller's premises, at the time of delivery or, if the Buyer wrongfully fails to take delivery of the goods, the time when the Seller has tendered delivery of the Goods.
- iv. Until such time as title in the Goods passes:
 - a. The Buyer shall keep the goods secure and separate from those of the Buyer and third parties and properly stored, protected and identified as the Seller's property.
 - b. The Seller shall at any time be allowed by the Buyer to inspect the Goods or require the Buyer to deliver the Goods to the Seller, and, if the Buyer fails to do so immediately, to enter any premises, land or vehicle of the Buyer or any third party where the Goods may be stored and repossess the Goods.

12. NON-DELIVERY OF GOODS/DAMAGED GOODS

The Purchaser, on the Company's advice of despatch, shall notify non-delivery of any consignment sent to any part of the United Kingdom in writing to the Company and to the carriers within seven days after receipt. Non-delivery of any consignment to any part of the world other than the United Kingdom shall be notified to the Company and to the carriers within fourteen days after the date by which in the ordinary course of transit the consignment would have been delivered or within seven days after receipt by the Purchaser of the Company's advice of despatch (whichever is the later). Damage to or loss from any consignment shall be notified in writing to the Company and to the carriers within seven days of delivery.

13. DELAY AND SUSPENSION

- i. In the event of any delay, hindrance or interference of any nature whatsoever occurring which operates to prevent or hinder the Company from executing the contract work or from carrying out or performing any other obligations imposed on it by the contract within the time or times specified therein, the Company shall be entitled to such an extension of time for completing the contract work or any part thereof as may be reasonable, having regard to the nature of the delay, hindrance or interference and to all the circumstances of the case, provided that such a delay, hindrance or interference shall arise from one or more of the following causes:-
 - a. The acceptance of the quotation not being accompanied or preceded by sufficient written information to enable the Company to proceed promptly with the work.
 - b. The act, neglect, delay or default of the Purchaser whereby the normal progress of manufacture of the Goods is delayed, hindered or interfered with.
 - c. The delay or failure on the part of the Purchaser to give or supply proper instructions or particulars necessary to the performance by the Company of the contract.
 - d. The act, neglect, delay, deliberate criminal act or default of any manufacturer, sub-contractor or other contractor, or war hostilities (whether war be declared or not) or riot, civil unrest, under inclemency of weather, storm, tempest, fire accident, strikes, lock-outs, labour disputes, or railway, road transport, sea or air stoppages.
 - e. Any changes to UK or International government guidelines or legislation resulting in alteration to required shipping licences
 - f. Any other cause whatsoever beyond the Company's direct control.
- ii. In the event of any delay, hindrance or interference as aforesaid occurring, which is due to the act, neglect, default or delay on the part of the Purchaser, the Purchaser shall pay to the Company all expenses (in addition to any other sums payable under the contract) reasonably and properly incurred by the Company as a result (whether direct or indirect) of such delay, hindrance or interference.



14. CANCELLATION

- i. Cancellation of a contract in whole or in part cannot be accepted without the prior written consent of the Company. In such circumstances the Purchaser shall be liable to the Company for such monies, as the Company at its sole discretion, shall determine.
- ii. The company, in addition to the rights herein before set out, reserves the right to modify or amend this contract, if it considers it necessary through any circumstances beyond its control. In the event of disagreements on such modification or amendment the Company or the Purchaser shall have the right to cancel the uncompleted balance of the contract.

15. PENALTIES AND DAMAGES

- i. The Company shall not be liable to the Purchaser for:-
 - a. Any loss of profit on any contract consequent to this contract.
 - b. Except as provided in these conditions or in the contract, any claim made against the Purchaser.
 - c. Any damage or injury, whether to persons or property caused by or arising out of the act, neglect, default or omission of any person other than the Company and its authorised sub-contractors and the Company's or the said sub-contractors respective servants or agents.
 - d. Any loss or damage (howsoever incurred) caused by or arising out of circumstances beyond the Company's control.
- ii. If the contract provides for delivery of Goods or any part thereof by the Company, the Company will repair or replace free of charge of any of such Goods which are damaged in transit before delivery, provided that the carriers and the Company receive written notice of such damage within the period specified by the carriers in their standard terms and conditions of trading (if any) and the Purchaser has not signed for the Goods as received in good condition. Subject to the provisions of this clause the Company shall not be liable for any injury or damage occurring to the Goods during transit, howsoever arising.

16. DEFAULT OF PURCHASER

If the Purchaser makes a default in any payment under the contract, or commits an act of bankruptcy, or, being a Company with limited liability, enters into liquidation (not being a liquidation merely for the purpose of re-arrangement or re-construction), or suffers a receiver to be appointed, the Company may, if it so desires, at any time thereafter during the continuance of the contract suspend or cancel further deliveries under the contract and remove such part of the contract work as shall have become the property of the Purchaser under the contract, and the Purchaser hereby irrevocably authorises the Company to enter into and upon the premises of the Purchaser for the purpose of removing any part of the contract work under the provision of this clause.

17. INTELLECTUAL PROPERTY

- i. All patent, design, trademark, service mark, copyright and other industrial or intellectual property rights of the Company of whatever nature in respect of the Goods, any of their constituent parts, their packaging or other material supplied with the Goods shall remain the absolute property of and vested in the Company.
- ii. The Customer will indemnify and keep indemnified the Company against any and all loss, damage, claims costs and expenses whatsoever suffered or incurred by the Company in connection with any infringement of any other person in connection with the Company's use or application in relation to the Goods or possession of any material or information or instruction supplied by the Customer in relation to the Goods.

18. WAIVER

Any concession, latitude or waiver the Company may allow or have allowed the Purchaser at any time shall not prevent the Company subsequently exercising their full rights under this contract.

19. NOTICES

All notices required to be given under the contract by either party to the other shall, if practicable, be addressed to the principal place of business of the party receiving the same. Any notice under the contract shall be given by letter or facsimile transmission.

20. ANTI BRIBERY

The Purchaser will:

- i. Comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including, but not limited to:
 - a. Local and national laws in the territories in which it operates.
 - b. The UK Bribery Act 2010.
 - c. The US Foreign Corrupt Practices Act 1977. d. The UN Convention Against Corruption.
- ii. Comply with the Halma plc. Group Code of Conduct relating to bribery and corruption which may be found on the Halma website (www.halma.com).
- iii. Have in place its own policies and procedures to ensure compliance with this Clause.



- iv. Ensure that all parties with which it is associated or who are providing goods or services in connection with this Agreement (including subcontractors, agents, consultants and other intermediaries) are aware of and comply with the requirements of this Clause.
- vi. Maintain complete and accurate records of all transactions and payments related to this Agreement and, on reasonable request, disclose details of those transactions and payments to the Company.
- vii. On reasonable request confirm in writing to the Company that it has complied with the requirements of this Clause and, if so requested, allow the Company to verify this compliance by way of an audit of its records.
- viii. Immediately inform the Company if it suspects or becomes aware of any breach of this Clause by one of its employees, subcontractors, agents, consultants or other intermediaries and provide detailed information about the breach.
- ix. The purchaser will indemnify, keep indemnified and hold harmless (on a full indemnity basis) the Company against all costs, expenses and losses that the Company incurs or suffers as a result of any breach by the representative of any of its obligations under this Clause. This indemnity will not apply to any fine levied on the Company as a result of the Company's criminal liability.
- x. If the purchaser breaches this Clause the Company shall have the right to terminate this Agreement without notice and with immediate effect and will be in no way liable to the representative in respect of such termination for payment of damages or any other form of compensation.

21. APPLICABLE LAW AND DISPUTES

These standard conditions of sale and all quotations acceptances, orders, contracts and agreements to which these standard conditions apply, shall be construed and take effect in all respects in accordance with the Laws of England, and any dispute concerning the same shall be referred to arbitration in accordance with the Arbitration Act 1950 or any statutory modification or re-enactment thereof for the time being in force.

