PRP OPTOELECTRONICS LTD STANDARD TERMS AND CONDITIONS OF SALE

Unit 2, Western Gate, Hillmead Enterprise Park, Langley Road, Swindon, SN5 5WN, United Kingdom



1 DELIVERY

Unless otherwise specified, prices are based on the goods being delivered ex-works (INCOTERMS 2010 – EXW). Unless requested otherwise, the seller will consider the goods dispatched when they are ready for collection and the customer has been informed.

Where delivery is to be organised by the seller on behalf of the customer, the seller will arrange delivery to the address shown on the purchase order using courier/shipping agent account information provided by the customer.

PRP accepts no liability for goods damaged during delivery by the customer's courier/shipping agent.

If the goods are being exported outside of the United Kingdom evidence of transportation and proof of delivery (including C88) must be provided to seller within 15 days of delivery.

2. PRICES

The price agreed in any contract is subject to variation at the discretion of the seller to compensate the seller for fluctuations in exchange rates, increases in taxes or duties imposed by any government or authority and increased in prices charged to the seller by its suppliers.

3. PAYMENT TERMS

Credit is available only after the seller has established a credit limit. Standard settlement terms are 30 days following invoice date by Electronic Transfer to our U.K. Bank Account or by cheque drawn on a U.K. Clearing Bank and free of all charges. Transactions involving large amounts or unusual risks may be subject to Letter of Credit or advance payment or scheduled payment terms. The seller reserves the right at all times to determine the credit terms which will be offered at the time of accepting an Order.

4. PROPERTY AND RISK

- a) The property in any goods sold shall remain with the seller until the customer has paid for the goods and discharged any other indebtedness to the seller.
- b) In the event that the customer is in default of any payment to the seller or enters into a composition or arrangement with or makes any assignment for the benefit of his creditors or that a Receiver is appointed of the customer's property or assets or any part thereof or that a court order is made or a resolution passed for the winding-up of the customer (except for the purposes of reconstruction or amalgamation) or that the customer commits any act of bankruptcy, the seller's consent to the customer's possession of the seller's goods shall cease and the seller shall be entitled forthwith to enter the customer's premises and to repossess its goods.
- Goods shall be at the customer's risk from the time they are collected from the seller's premises.

5. EXCLUSION AND LIMITATION OF LIABILITY

The seller's said liability (other than for death or personal injury resulting from negligence) shall be limited to the total of (a) a sum equal to the price paid for the goods that are the subject of this contract (b) such sum as the seller may (acting reasonably) in fact receive from any supplier of the goods the subject of this contract in respect of any related liability of such supplier (not being money for which the seller must give credit to its insurers) and (c) a sum equal to the limit of indemnity under the seller's liability insurance policy applicable to the goods the subject of this action (which said limit of indemnity has been or will on request be communicated to the buyer).

6. FORCE MAJEURE

The seller may cancel this contract without liability on either side in the event that performance by the seller is rendered impossible or commercially impracticable by reason of any cause outside the seller's reasonable control including (without limitation) any act of God or government, war, insurrection, embargoes, unavailability of supplies or of raw materials, labour disputes, illness, flood, fire, currency control or civil commotion.

7. GOVERNING LAW

This and any other agreement between the seller and the customer shall be governed by English Law. Any dispute between the seller and the customer shall be subject to the exclusive jurisdiction of the courts of England and Wales.

8. PRECEDING INFORMATION

Buyer shall make good to Supplier any loss on account of delay by Buyer in furnishing adequate and suitable specifications, drawings, tools, parts or materials required to enable Supplier to proceed. Descriptive and shipping specification and particulars of weight and dimensions furnished to Buyer are approximate only and any descriptions and illustrations in Supplier's trade literature are intended to give only a general idea of the goods and none of these shall form part of the Contract.

9. SHORTAGE OR DAMAGE

No claim for non-delivery shortage or damage will be considered unless received in writing by Supplier and also by any carrier known by Buyer to be concerned within 30 days next after the date on which the goods are despatched from Supplier's factory.

10. EQUIPMENT WARRANTY

Supplier undertakes to replace or (at his option) repair any goods proved to his reasonable satisfaction to have failed within twelve months next after the date on which they are ready for despatch from his factory by reason of faulty materials or workmanship used in their manufacture or (if in Supplier's option such replacement or repair is impracticable) to refund any price paid for the failed goods PROVIDED

- a) this undertaking shall not extend to failures not reported to Supplier within the period mentioned in 9 above where such failures result from defects which ought reasonably to have been discovered in inspection and or test of the goods had been practicable.
- Buyer informs Supplier promptly on discovery of the alleged failure and promptly returns the goods carriage paid with full written report on the failure unless Supplier agrees to inspect and replace or repair in situ.
- c) the goods have been stored, installed, maintained and used properly having regard in particular to Supplier's and other agreed applicable specifications and instructions.
- this undertaking shall not apply to any goods or parts thereof obtained by Supplier from another.
- e) Buyer shall refund to Supplier the cost to Supplier of any replacement repair or redelivery of the goods affected by the Supplier where the failure is not within the scope of this undertaking.

Buyer shall have no right to reject later than the end of the period mentioned in 9. Any liability howsoever arising whether in contract or in tort or under statute in respect of quality fitness condition use trade description specification or representation of or relating to the goods supplied is hereby excluded and Buyer shall have no rights other than as stated in this Condition in respect of goods which have failed after delivery.

11. PATENTS ETC INFRINGEMENT

Supplier shall (in lieu of all other liability to Buyer for loss where patents, registered designs and similar rights have been infringed by use of the goods) indemnify Buyer against claims (including the costs thereof) by owners or licensees of patents and registered designs of the country of declared first destination of the goods granted at the date hereof for infringement thereof by use or sale of the goods. PROVIDED

- a) this Indemnity shall not be extended to infringements resulting from use by Supplier of Buyer's parts, designs or specific instructions or from use or sale in combination with other items where infringements would not have
- Buyer shall immediately inform Supplier of claims, shall make no settlement or admission and shall permit Supplier along (and at Supplier's expense) to deal with claims
- c) Supplier's liability under this Condition 11 is limited to the amount of royalties or payments in lieu thereof ordered or agreed to be paid to the owner and/or licensee of the patent or design.

12. COPYRIGHT AND CONFIDENTIALITY

The copyright in all Supplier's documents (including drawings) furnished to Buyer for the purposes of this Contract shall at all times remain vested in Supplier and neither they nor their contents shall be used without Supplier's express written consent for any purpose other than that for which they were furnished.

13. TOOLS, DIES, MOULDS, ETC

Any tools, dies, moulds, etc. used by the Supplier for the purpose of his performance of this Contract will be charged at part cost only and will remain the property of the Supplier.

14. SPECIFICATIONS

- a) Buyer accepts responsibility for the goods (and all combinations of the goods with services, software or other goods) achieving Buyer's intended results and for the selection of and results obtained from any services, software or other goods with which the goods are used in combination
- Supplier does not warrant that the goods are of any particular quality or conform to any particular specification other than the contractual specification.

15. SOFTWARE

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Unless otherwise stipulated by Supplier all software supplied in whatever form is supplied under licence and not by way of sale and is subject in the case of Supplier's software to Supplier's relevant terms and conditions of licence and in the case of other software to terms and conditions equivalent to those agreed between Supplier and Supplier's licensor.

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