

1. General

- 'Seller' means Filtermist International Ltd
'Goods' means the goods (including any instalment of the goods or any parts for them) which the seller is to supply in accordance with these Conditions
'Buyer' means the person who accepts a quotation of the Seller for the sale of the Goods or whose order for the Goods is accepted by the Seller

2. Basis of the Sale

- 2.1 The Seller shall sell and the Buyer shall purchase the goods in accordance with any written quotation of the Seller which is accepted by the Buyer, or any written order of the Buyer which is accepted by the Seller, subject in either case to these conditions which the Buyer agrees shall govern the Contract to the exclusion of his own terms (if any)
2.2 No variation to these Conditions shall be binding unless agreed in writing between the authorised representatives of the Buyer and the Seller
2.3 Any advance or recommendation given by the Seller or its employees or agents to the Buyer or its employees or agents as to the storage, application or use of the Goods which is not confirmed in writing by the Seller is followed or acted upon entirely at the Buyer's own risk, and accordingly the Seller shall not be liable for any such advice or recommendation which is not so confirmed

3.0 Order & Specifications

- 3.1 No order submitted by the Buyer shall be deemed to be accepted by the Seller unless and until confirmed in writing by the Seller
3.2 the Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the Seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms
3.3 The quantity and description of and any specification for the Goods shall be those set out in the Seller's quotation (if accepted by the Buyer) or the Buyer's order (if accepted by the Seller)
3.4 If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against any loss, damages, costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the Seller in settlement of any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification
3.5 The Seller reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable statutory or EC requirements or, where the Goods are to be supplied to the Seller's specification, which do not materially affect their quality or performance
3.6 No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by the Seller as a result of the cancellation

4 Price of the Goods

- 4.1 The price of the Goods shall be the Seller's quoted price or, where no price has been quoted (or a quoted price is no longer valid), calculated by reference to the cost of materials, labour and other overheads. Where the Goods are supplied for export from the United Kingdom, the Seller's export price list shall apply. All prices quoted are valid for the term quoted by the Seller of until earlier acceptance by the Buyer, after which time they may be altered by the Seller without giving notice to the Buyer
4.2 The Seller reserves the right, by giving notice to the Buyer at any time before delivery, to increase the price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the Goods which is requested by the Buyer or any delay caused by instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions
4.3 Except as otherwise stated under the terms of any quotation or in any price list of the Seller, and unless otherwise agreed in writing between the Buyer and the Seller, all prices are given by the Seller on an ex-works basis, and where the Seller agrees to deliver the Goods otherwise than at the Seller's premises, the Buyer shall be liable to pay:
4.3.1 the Seller's charges for transport, packaging and insurance
4.3.2 the cost of any erection or installation work in connection with the supply of the Goods which will be calculated on the basis that the work is carried out during normal working hours. The cost of any overtime will be charged in addition
4.4 The price is exclusive of any applicable value added tax, which the Buyer shall be additionally liable to pay to the Seller

5. Terms of Payment

- 5.1 Subject to any special terms agreed in writing between the Buyer and the Seller, the Seller shall be entitled to invoice the Buyer for the price of the Goods on or at any time after delivery of the Goods, unless the Goods are to be collected by the Buyer or the Buyer wrongfully fails to take delivery of the Goods, in which event the Seller shall be entitled to invoice the Buyer for the price at any time after the Seller has notified the Buyer that the Goods are ready for collection or (as the case may be) the Seller has tendered delivery of the Goods
5.2 The Buyer shall pay the price of the Goods (less any discount to which the Buyer is entitled, but without any other deduction) and the Seller's charges for transport, packaging, insurance and all other costs and expenses of whatever kind by 30 days from month end of the date of the Seller's invoice unless otherwise agreed, and the Seller shall be entitled to recover the price notwithstanding that delivery may not have taken place and the property in the Goods has not passed to the Buyer. The time of payment of the price shall be of the essence of the Contract
5.3 Payment must be made in sterling unless otherwise agreed, in England
5.4 If the Buyer fails to make any payment on the due date the, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to:
5.4.1 cancel the Contract or suspend any further deliveries to the Buyer and
5.4.2 appropriate any payment made by the Buyer to such of the Goods (or the goods supplied under any other contract between the Buyer and the Seller) as the Seller may think fit (notwithstanding any purported appropriation by the Buyer), and
5.4.3 charge the Buyer interest (both before and after any judgement) on the amount unpaid, at the rate of 3% above UK Bank Base Rate from time to time, until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest)
5.5 In respect of all sales to overseas Buyers payment of the full amount of the price and additional and overseas shipping and transportation charges, insurance, carriage, storage or standing costs or any costs or expenses whatsoever must be paid prior to the despatch of the Goods in accordance with the provisions of clause 11.6

6. Delivery

- 6.1 Delivery of the Goods shall be made by the Buyer collecting the Goods at the Seller's premises within seven days after the Seller has notified the Buyer that the Goods are ready for collection or, if some other place for delivery is agreed by the Seller, by the Seller delivering the Goods to that place
6.2 Any dates quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay in delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by the Seller in writing. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer

Filtermist International Ltd Terms & Conditions of Sale Page 2 of 3

- 6.3 If the Seller fails to deliver the Goods for any reason other than any cause beyond the Seller's reasonable control or the Buyer's fault, and the Seller is accordingly liable to the Buyer, the Seller's liability shall be limited to the excess (if any) of the cost to the Buyer in the cheapest available market) of similar goods to replace those not delivered over the price of the Goods unless the order accepted provides that the Buyer will collect the Goods, the place for delivery is at the Seller's premises
- 6.4 If the Buyer fails to collect or give instructions for taking delivery of the Goods, unless the Buyer has agreed to collect the Goods at the Seller's premises he will give the Seller instructions for delivery within seven days after the Seller has notified the Buyer that the Goods are ready for collection within that time, the following provision shall apply:
- 6.4.1 the Seller may store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage but shall not owe the Buyer any duty of care in making arrangements for storage and shall not be liable to the Buyer for any loss of, damage to or deterioration of the Goods caused by their storage, or
- 6.4.2 the Seller may immediately or at any time after expiry of the time for collection of the goods treat the Contract as repudiated by the Buyer's breach and make such arrangements as it thinks appropriate for the disposal of the Goods
- 6.4.3 the Buyer will in any case be liable and compensate the Seller as a result of the Buyer's breach or the termination of the contract
- 6.5 If the Seller agrees to arrange for the Goods to be transported to some place other than its own premises for delivery the following provisions shall apply:
- 6.5.1 the Seller will make such arrangements for carriage and insurance of the Goods during carriage as it thinks appropriate and the Seller shall not be liable to the Buyer in any way for the arrangements so made.
- 6.5.2 the Seller will not be responsible for off-loading the Goods at their destination and the Buyer will be responsible for making any necessary arrangements for off-loading
- 6.5.3 the Goods shall be treated as having been delivered to the Buyer as soon as they are delivered to their destination whether or not they have been off-loaded
- 6.5.4 the Goods shall be at the Buyer's risk from the moment they are delivered to their destination whether or not they have been off-loaded
- 6.6 If the Seller agrees to deliver the Goods at some other place other than its own premises the Goods will be at the Seller's risk from the moment they are delivered to the carrier and the Seller will insure the Goods accordingly but at the cost of the Buyer.
- 7. Risk & Property**
- 7.1 Risk of damage to or loss of the Goods shall pass to the Buyer:
- 7.1.1 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
- 7.1.2 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.
- 7.2 Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these Conditions, the property in the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the Goods and all other sums due from the Buyer to the Seller on any account whatsoever. Until that time the Buyer shall hold the Goods as bailee and shall store them in such a way that they can be identified as the Seller's property and keep them separate from the Buyer's own property and the property of any other person. Although the Goods remain the Seller's property until paid for, they shall be at the Buyer's risk from the time of delivery and the Buyer shall insure them against loss or damage accordingly and in the event of such loss or damage hold the proceeds of such insurance on behalf of the Seller as trustees for the Seller.
- 7.3 the Buyer's right to possession of the Goods shall cease if:
- 7.3.1 the Buyer has not paid for the Goods in full by the expiry of any credit period allowed by this Contract
- 7.3.2 the Buyer is declared bankrupt or makes any proposal to his creditors for a composition or other voluntary arrangement
- 7.3.3 a receiver, liquidator or administrator is appointed in respect of the Buyer's business. When the Buyer's right to possess the Goods under this clause has ceased the Buyer shall, at his own expense make the Goods available to the Seller and allow the Seller to repossess them
- 7.4 the Buyer hereby grants to the Seller, his agents and employees an irrevocable licence to enter any premises where the Goods are stored in order to repossess them or inspect them at any time.
- 7.5 The Buyer may (but only in the ordinary course of his business) re-sell the Goods even though they are the property of the Seller at the time of re-sale provided that the Buyer as fiduciary shall account to the Seller for the proceeds of sale (or so much of them as shall equal the total sums due to the Seller under clause 7.2) or otherwise of the goods whether tangible or intangible, including insurance proceeds, and shall keep all such proceeds separate from any monies or property of the Buyer and third parties and, in the case of tangible proceeds, property stored, protected and insured.
- 7.6 Where the Goods are mixed with or incorporated into other goods (called "the Product") prior to their re-sale by the Buyer:
- 7.6.1 although the property in the Goods has not then passed to the Buyer the Seller shall be entitled to the same proportion of the proceeds of sale of the Product as the proportion of the price payable under this Contract bears to the aggregate of the prices of the Goods comprised in the Product.
- 7.6.2 the Buyer shall keep such records as shall enable the extent to which the Goods were so mixed or incorporated to be ascertained and on the sale of the Product the extent to which the Goods were mixed or incorporated and the amount of the proceeds of sale of the Product and the proportion which the Contract price of the Goods bears to the aggregate of the prices of the Goods comprised in the Product.
- 7.7 None of the provisions of this clause 7 shall be construed as appointing the Buyer the agent of the Seller or entitling the Buyer to return the Goods or affect the Buyer's obligation to pay the price.
- 8. Warranties and Liability**
- 8.1 Subject to the Conditions set out below the Seller warrants that the Goods will correspond with their specification at the time of delivery. The Seller undertakes that the Goods supplied are fit for the purpose specified by the Buyer who, having greater knowledge of his own requirements, relies entirely on his own skill judgement in evaluating the suitability of the Goods for his purpose.
- 8.2 The above warranty is given by the Seller subject to the following conditions:-
- 8.2.1 the Seller shall be under no liability in respect of any defect in the Goods arising from any drawing, design or specification supplied by the Buyer.
- 8.2.2 the Seller shall be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions (whether oral or in writing) misuse or alteration or repair of the Goods without the Seller's approval.
- 8.2.3 the Seller shall be under no liability under the above warranty (or any other warranty, condition or guarantee) if the total price for the goods has not been paid by the due date for payment.
- 8.2.4 the above warranty does not extend to parts, materials or equipment not manufactured by the Seller, in respect of which the Buyer shall only be entitled to the benefit of any such warranty or guarantee as is given by the manufacturer to the Seller.
- 8.3 Subject as expressly provided in these Conditions, and except where the Goods are sold to a person dealing as a consumer (within the meaning of the Unfair Contract Terms Act 1977), all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

Filtermist International Ltd Terms & Conditions of Sale Page 3 of 3

- 8.4 Where the Goods are sold under a consumer transaction (as defined by the Sale of goods Act 1979) the statutory rights of the Buyer are not affected by these Conditions.
- 8.5 Any claim by the Buyer which is based on any defect in the quality or condition of the Goods or their failure to correspond with specification shall (whether or not delivery is refused by the Buyer) be notified to the Seller within seven days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure. The Buyer shall allow the Seller and its authorised representatives to inspect any Goods notified as defective. If delivery is not refused, and the Buyer does not notify the Seller accordingly, The Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect of failure, and the Buyer shall be bound to pay the price as if the Goods had not been delivered in accordance with the Contract.
- 8.6 Where any valid claim in respect of any of the Goods which is based on any defect in the quality or condition of the Goods or their failure to meet specification is notified to the Seller in accordance with these Conditions:-
- 8.6.1 the Seller shall be entitled to replace the Goods (or the part in question) free of charge or at the Seller's sole discretion, refund to the Buyer the price of the Goods (or a proportionate part of the price), but the Seller shall have no further liability to the Buyer.
- 8.6.2 the Buyer shall not be entitled to cancel the remainder of the Goods to be supplied under the Contract and the Buyer shall be responsible for the safe custody of the Goods for a reasonable time pending their return to the Seller
- 8.7 Except in respect of death or person injury caused by the Seller's negligence, the Seller shall not be liable to the Buyer by reason of any representation, or any implied warranty, condition or other term, or any duty at common law, or under the express terms of the Contract, for any consequential loss or damage (whether for loss of profit or otherwise), costs, expenses or other claim for consequential compensation whatsoever (and whether caused by the negligence of the Seller, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods or their use or resale by the Buyer, except as expressly provided in these Conditions.
- 8.8 The Seller shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of the Seller's obligations in relation to the Goods. If the delay or failure was due to any cause beyond the Seller's control, in particular (but without limitation) the Seller may postpone delivery for a reasonable period and/or make partial deliveries. Whether or not delivery has been postponed or partial deliveries made the Seller may terminate the Contract forthwith by giving written notice to the Buyer.
- 9 Indemnity**
- The Buyer agrees to indemnify the Seller against any damages, losses, costs, claims or expenses incurred by the Seller by any third party for:
- 9.1 any loss, injury or damage wholly or partly caused by the Goods or their use
- 9.2 any loss, injury or damage in any way connected with the performance of this Contract.
- Provided that this clause will not require the Buyer to indemnify the Seller against any liability for the Seller's own negligence.
- 10 Insolvency of the Buyer**
- 10.1 this clause applies if:
- 10.1.1 the Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction) or
- 10.1.2 an encumbrance takes possession, or a receiver is appointed, of any of the property or assets of the Buyer, or
- 10.1.3 the Buyer ceases, or threatens to cease, to carry on business, or
- 10.1.4 the Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly
- 10.2 If this clause applies then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer, and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.
- 11. Export Terms**
- 11.1 In these conditions 'Incoterms' means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made. Unless the context otherwise requires, any term or expression which is defined in or given a particular meaning by the provisions of Incoterms shall have the same meaning in these Conditions, but if there is any conflict between the provisions and Incoterms and these Conditions, the latter shall prevail.
- 11.2 Where the Goods are supplied for export from the United Kingdom, the provisions of this clause 11 shall (subject to any special terms agreed in writing between the Buyer and the Seller) apply notwithstanding any other provision of these Conditions.
- 11.3 The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties thereon.
- 11.4 Unless otherwise agreed in writing between the Buyer and the Seller, the Goods shall be delivered f.o.b. the air or sea port of shipment and the Seller shall be under no obligation to give notice under section 32(3) of the Sale of Goods Act 1979.
- 11.5 THE seller shall have no liability for any claim in respect of any damage during transit.
- 11.6 Payment of all amounts due to the Seller shall be made by irrevocable letter of credit opened by the Buyer in favour of the Seller and confirmed by a bank in the United Kingdom acceptable to the Seller or, if the Seller has agreed in writing on or before acceptance of the Buyer's order to waive this requirement, by acceptance by the Buyer and delivery to the Seller of a bill of exchange drawn on the Buyer payable 60 days after sight to the order of the Seller at such branch of the Bank in England as may be specified in the bill of exchange.
- 12. General**
- 12.1 Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to the provision to the party giving the notice
- 12.2 No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 12.3 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of the Conditions and the remainder of the provision in question shall not be affected thereby.
- 12.4 Any dispute arising under or in connection with these Conditions or the sale or the Goods shall be referred to arbitration, by a single arbitrator appointed by agreement or (in default) nominated on the application of either party by the President for the time being of The Law Society.
- 12.5 This Contract shall be governed by the law of England.

End