

TERMS AND CONDITIONS OF PAYMENT (SECOND EDITION) 2003

These Terms and Conditions apply to all goods supplied and/or work done by Hyquip Limited ("the Company") and override any terms and conditions referred to by the Customer whether in negotiations or otherwise. These Terms and Conditions of Payment are in addition to Hyquip's Standard Conditions of Sale.

1. DEFINITIONS

"The Goods" means the goods and/or services the subject of the Contract between the Company and the Customer

"The Customer" means the person, firm or company purchasing the Goods.

Each delivery of Goods shall be deemed to be a separate Contract to which these Terms and Conditions shall apply.

2. TERMS

No stipulation, representation or warranty made or attempted to be made at any time by either party to the Contract or by any person on behalf of such party shall vary, modify or counteract these Terms and Conditions. No variation in these Terms and Conditions shall be valid unless made in writing under the hand of a Director of the Company. In the event that any part or parts of these conditions are held to be invalid such invalidity shall not alter the validity of any other part or parts of the same and each Clause and each sub-clause shall be capable of independent existence.

The Customer agrees to enter into the Contract in the course of its business and not as a Consumer.

3. QUOTATIONS AND PRICES

Any quotation by the Company shall be valid for acceptance for 30 days and if not accepted within this period shall be deemed to be withdrawn.

Quotations / Estimate will not be given for work based on rough Estimate or Definitions.

Quotations are based on current Supply of Goods or Production costs and are subject to variation on or after acceptance to meet any recognised rise or fall in such costs.

Prices are calculated on the basis of Supply of Goods or Production costs of average commercial work. Reproductions or Contract Variations involving additional work are charged extra.

Faults revealed within 24 Hours will be corrected at no extra costs, but additional to the origin will be charged at base rate.

VAT shall be paid by the Customer at the rate prevailing at the date of invoice.

The Company reserves the rights to sub-contract work and where the quotation given includes an estimate or reserve in respect of the costs of a sub-contractor such estimate or reserve whilst given in good faith is subject to formal confirmation and will not be binding upon the Company unless and until ratified by the sub-contractor.

4. PAYMENT AND ADDITIONAL CHARGES

Payments shall be made at the Company's business address and is due 30 days after invoice.

The Company reserves the right to charge and be paid interest on all sums due from the Customer at the rate of 5% above Barclays Bank Plc base lending rate (for the time being) from the date upon which payment is due until the date upon which it is received. Invoices are payable in full without set-off retention or counterclaim. The Company reserves the right to invoice Goods and Services upon delivery, regardless of whether other Goods or Services remain outstanding or not.

In the event of the Company incurring additional expense not provided for in any quotation as a result of the occurrence of any of the following, such additional expense shall be added to

the price; variation and/or alteration of instructions and/or details and/or a failure by the Customer or its representative to provide the same.

The price is subject to delivery charges, applied at prevailing rate

5. DELIVERY DATES

Time for delivery is stated as accurately as possible but is not guaranteed and is subject to extension to cover delays caused by events beyond the Company's control. In no case shall time be the essence of the Contract.

Contracts and deliveries may be suspended in the event of any strike, lock-out, trade dispute, fire, tempest, breakdown, accident, riot, theft, crime, civil disturbance, war, force major or other occurrence preventing or retarding the processing or delivery of the Goods and no responsibility shall attach to the Company for any delay, default, loss or damage due to any of these causes or for any damage in transit or at the works of the Company or to any other cause beyond the control of the Company whether in respect of contracts or deliveries or the safe custody or articles deposited with the Company.

If the Customer desires to be protected against the risks specified in this clause or any of them he shall on or before the date of the Contract, request the Company to be protected accordingly and shall pay the premium payable on any policy to be affected in consequence.

6. DEFECTS IN QUALITY/QUANTITY

Every care is taken in the preparation of the Goods but it is the responsibility of the Customer to check them immediately upon receipt to ensure that they comply with the Customer's instructions in every respect.

No responsibility will be accepted for errors in Production passed by the Customer. If the Customer alleges that the Goods do not conform to the Customer's order whether as to content quality or quantity it shall notify the company within twenty four hours of delivery by letter, or facsimile transmission of such allegation and the failure to make such notification shall be deemed to be conclusive evidence of the conformity of the Goods to the Customer's order in every respect.

The Company's liability for defects in the goods shall be limited to the replacement by the Company of the goods at no cost to the Customer, PROVIDED THAT such defect is notified in accordance with clause 6(a) and clause 6(b) hereof. The Company shall not be liable for consequential loss or damage of whatever nature arising out of such defects.

6a. In any event the liability of the Company for defects in the Goods shall be limited to a sum equivalent to the invoice price of the goods in respect of which any claim is made against the Company.

6b. In the event of the Company requiring increased cover against the risk of any loss in excess of the limitations of liability contained herein or cover against consequential loss or damage, the Company will be pleased to submit a revised price for the goods provided that the Customer's requirement is indicated in writing on or before the date of the Contract. Should delivery of the goods be required in less than the normal time requisite for their proper production, every effort will be made to secure freedom from defects but reasonable allowance shall be made by the Customer in such cases.

7. ADVERTISING

The Company retains the right to use any work produced for its customers in any advertising material to promote the Company or any of its products without prior consent. However where confidentiality is the issue, protection for the privacy of the Customer will be observed.

8. RISK AND TITLE

The risk in the goods shall pass to the Buyer upon delivery. Where the goods are collected by or on behalf of the Buyer or its agents from the premises of the Seller, the risk shall pass to the Buyer at the time the goods are handed over to the Buyer or its agents.

The property in the goods shall not pass to the Purchaser until they have been paid for in full. If nevertheless, the Buyer sells the goods before they have been paid for in full, he shall hold the proceeds of such sale (or, where he has made partial payment to the Seller for the goods, such of the proceeds as are equal to the sum remaining due from him to the Seller for the goods) on trust for the Seller.

9. OWNERSHIP OF PRODUCT AND GOODS

All products/Goods produced or originated during the course of production of the Goods, shall remain the property of the Company who reserves the right to dispose of the same three months after completion of the order. At the request of the Customer this period may be extended and a charge will be made for this service on a monthly basis. Whilst every care is taken to keep these materials in good condition the Company accepts no liability for damage or loss of any kind. The Company shall be prepared to negotiate with the Customer for the sale of such materials at any time during the period mentioned in this clause.

Title

Title to Goods supplied under this Agreement (including without limitation title to the Equipment) shall pass to the Customer on receipt by Hyquip in full and cleared funds of ALL amounts payable (including VAT and any other applicable sales tax) under this agreement, whether or not payment of any such sum shall have become lawfully due.

The property in the goods shall not pass to the Purchaser until they have been paid for in full. If nevertheless, the Buyer sells the goods before they have been paid for in full, he shall hold the proceeds of such sale (or, where he has made partial payment to the Seller for the goods, such of the proceeds as are equal to the sum remaining due from him to the Seller for the goods) on Trust for the Seller, hence bound by the Law of Trust.

Hence until title passes, the Customer shall hold the Goods, as bailee for Hyquip and it shall leave in place all marks on the goods identifying Hyquip as the owner. Until title passes Hyquip has the right (without prejudice to the Customer's obligation to pay for them) to recover possession of the goods and the Customer irrevocably licences Hyquip and its agents to enter upon any premises occupied by the Customer to recover possession of the goods. The customer hereby agrees to the Assignment of Debt in favour of Hyquip for the Debt to be recovered from their Client/ Liquidator/ Administrator/ Receiver and or the newly merged Corporation and allows it to be exercised upon the unfortunate event of Bankruptcy or voluntary liquidation or disposal of the Company or any changes to the structure of the organisation whatsoever.

Therefore in the event of default of payment by the customer due to lack of cash availability, bankruptcy, or whatever the reason may be for the default in payment, the customer consents to assignment of debt for the benefit of Hyquip Limited to be reimbursed with full payment as indicated in clause 9.

All Monies Clause

Upon this clause, the Customer agrees to the pledge, as expressed in this Clause 9c. This pledge is made to secure repayment of All amounts (including Taxation) owed or which will be owed to Hyquip by the application of All Monies Clause by imposing ONE Charge over ALL Equipments supplied to the Customer by Hyquip, hereto or thereafter (regardless of their Title, Ownership, Payment Schedules or Payment Statute) for the purpose of securing all debts owed to Hyquip by the customer.

Risk

Risk in goods and Third Party Equipment passes to Customer on delivery to the Location. Where the goods are collected by or on behalf of the Buyer or its agents from the premises of the Seller, the risk shall pass to the Buyer at the time the goods are handed over to the Buyer or its agents.

With effect from delivery, and until receipt by Hyquip of the total price payable in respect of the goods and any Third Party Equipment, the Customer shall be responsible for insuring the Goods with a reputable insurance company against loss or damage for the full cost of their replacement and shall if requested by Hyquip, arrange for the interest of Hyquip to be noted on the insurance policy.

Third Party Equipment and the Integral Equipment is licensed in accordance with the terms and conditions applicable to such Equipment and the Customer agrees to do all things and sign such documents as Hyquip may reasonably require to evidence the Customer's acceptance of such terms and conditions.

Payment

The Customer shall pay to Hyquip the deliverables set out in Schedule 1 and the charges set out in Schedule 2 of the Contract for Supply.

If any sum payable under this Agreement is not paid within 7 days after the due date then (without prejudice to Hyquip's other rights and remedies) Hyquip reserves the right to charge interest on such sum on a day to day basis (as well as before any judgement) from the date or last date for payment thereof to the date of actual payment (both dates inclusive) at the rate of 5 per cent above the (varying) base rate of Barclays Bank plc (or such other London Clearing Bank as Hyquip may nominate) from time to time in force compounded quarterly. Such interest shall be paid to Hyquip on demand.

All fees and charges payable under the Agreement are exclusive of Value Added Tax or any similar sales tax. All such taxes are payable by the Customer and shall be applied in accordance with relevant legislation in force at the tax point date.

10. STORAGE OF CUSTOMER GOODS

In respect of property left in the Company's possession for purposes other than for storage, unless otherwise requested by the Customer and accepted by the Company, the Company's liability for loss of or damage to Customer's property will be limited to the lesser of: i) The value of the Goods actually lost or damaged; or ii) The cost of repairing any damage; or iii) £250 per item subject to a total limit of £1,000 for all property held by the Company on behalf of each Customer.

In respect of property left in the Company's possession for storage, the Company accepts no liability for any loss of or damage to such property unless the Customer has given written instructions requiring such property to be retained and has paid a storage charge. If the Customer has given written instructions requiring such property to be retained and has paid a storage charge, unless otherwise requested by the Customer and accepted by the Company, the Company's liability for loss of or damage to Customer's property will be limited to the lesser of: i) The value of the Goods actually lost or damaged; or ii) The cost of repairing any damage; or iii) £250 per item subject to a total limit of £1,000 for all property held by the Company on behalf of each Customer

11. LIBELLOUS/ILLEGAL MATTER

The Customer agrees with the Company that it does not and will not require the Company to reproduce any matter which is or may be libellous or illegal by breach of copy rights or render the Company liable to any legal proceedings whether civil or criminal and the Company shall be at liberty at any time to discontinue work if in the Company's opinion such work may come within these categories. In such circumstances the Customer shall be liable to

pay the Company for the work carried out prior to the date of discontinuance. In the event of a breach by the Customer of the obligations in this clause contained it will immediately upon demand indemnify the Company against all losses, damages, costs and expenses sustained by the Company through the Customer's default in respect of these matters.

12. CLAIMS

Any claim must be made within twenty-four hours of delivery beyond which period no claim can be entertained.

13. FREIGHTAGE

Where at the request of the customer, the company is asked to forward either by Postal, Rail or Air Freightage, products of this Company, an appropriate charge will be rendered for this service. Whilst every reasonable precaution will be taken to ensure accuracy of despatch, no claims will be accepted by the company in the event of damage to or non-delivery of goods by whichever means of Freightage have been used, and after they have left these premises. Any additional work undertaken to replace lost or damaged goods must be the onus of the customer receiving this service.

14. LAW OF THE JURISDICTION

The Contract shall be governed by English Law and by the jurisdiction of the English Courts.