

**MORCO PRODUCTS LIMITED -
TERMS AND CONDITIONS OF SALE - 2015 EDITION**

1. GENERAL

1.1 Subject to the above statement these terms and conditions govern all contracts entered into by Morco Products Limited (Company Number 00064585) (hereinafter referred to as the Company) for the supply or sale of goods or services. Any order given to the Company shall be deemed to constitute an agreement to be bound by these conditions

1.2 It is agreed that only these conditions shall apply to contracts between the Company and the buyer named in the Company's quotation order acknowledgement or invoice (the Buyer) and any documents emanating from the Buyer which contain printed or standard conditions have been and shall be sent by the Buyer and received by the Company on the understanding that they appear on the Buyer's documents because they are printed thereon but have no legal effect whatever and the Buyer waives any rights which the Buyer otherwise might have to rely on such conditions

1.3 These conditions shall have effect in place of any other conditions which may have previously been notified by the Company to the Buyer. No addition or variation to these conditions shall be made or apply unless expressly agreed in writing by the Company and the Buyer

2. DESCRIPTION OF GOODS, DRAWINGS, SPECIFICATIONS, CATALOGUES, ESTIMATES AND ADVERTISING MATTER

2.1 All goods are supplied subject to reasonable availability to the Company of the goods and suitable materials. The Company reserves the right without notice to substitute suitable alternative goods and materials where necessary

2.2 All designs, drawings, descriptive matter, weights, dimensions, specifications, brochures, catalogues, price lists, supply data and all advertising matter are approximate and by way of identification only and are intended merely to present a general idea of the goods or services described therein and they shall not form part of any contract or give rise to any independent or collateral liability of any kind. All prices quoted therein are subject to alteration or withdrawal from time to time without notice

3. SELECTION OF GOODS

3.1 To assist the Buyer to select those goods which most nearly meet the Buyer's requirements the Company includes relevant information in its Manuals and website

3.2 The Buyer acknowledges that selecting goods requires the Buyer to use their own skill and judgment as to which of the Company's goods meets the Buyer's requirements and warrants that they have such skill and judgment and undertakes to exercise it at all times in selecting goods. The Buyer will be responsible for ensuring that goods

selected are fit for the Buyer's purpose and agrees that the Company shall not be responsible for any selection made by the Buyer and will not have any liability to the Buyer for any loss damages costs or expenses suffered or incurred by the Buyer as a result thereof

4. QUOTATIONS

4.1 A quotation does not constitute an offer. All quotations shall be deemed to have been withdrawn 30 days after the date of the quotation

4.2 All prices quoted are exclusive of VAT unless otherwise stated

4.3 Without prejudice to the generality of clause 4.1 above, the Company reserves the right to increase any quoted or agreed price to correct any error in the quotation or to reflect any increase in the cost to the Company of overheads, labour, goods, materials, insurance or transport after the date of the quotation or the date of acceptance of the Buyer's order

5. DESPATCH DELIVERY AND PERFORMANCE

5.1 Any time or date quoted by the Company for delivery or performance is given and intended as an estimate only and the Company shall not be liable in any circumstances for any loss or damage of any kind caused by a failure to deliver or perform within such time

5.2 Unless otherwise agreed in writing the Company is entitled to make deliveries by instalments or partial deliveries. Each instalment shall be construed as constituting a separate agreement to which all the provisions of these conditions shall (with any necessary alterations) apply

5.3 The Buyer shall take delivery of the goods promptly upon the delivery date(s) or at the intervals stated in the contract or as soon thereafter as it is notified by the Company that the goods are available for delivery. If for any reason the Buyer fails to call off or give delivery instructions or take delivery of the goods on the due date, or upon receipt of such notification, or otherwise causes or requests a delay in delivery, the Company shall be entitled to store or arrange for the storage of the goods and if it does so:

(i) it shall so inform the Buyer in writing, and

(ii) the Buyer shall pay or reimburse the reasonable cost (including insurance) of such storage from the due date, or the date of notification as aforesaid, until delivery to the Buyer

This provision is without prejudice to any other rights of the Company hereunder

- 5.4 Save as provided in clause 9 no order which has been accepted by the Company may be cancelled by the Buyer except with the Company's agreement in writing and on terms that the Buyer shall indemnify the Company in full against all loss (including loss of profit) costs damages charges and expenses incurred as a result of cancellation

6. PACKING

- 6.1 Goods for delivery in the mainland of the United Kingdom (the Home Market) - normal packaging is free of charge. If special packaging is required it will be charged extra

7. CARRIAGE

- 7.1 Goods for Home Market - subject to carriage-paid limits carriage charges will be invoiced to the Buyer at the Company's rates prevailing at time of despatch
- 7.2 Goods other than for the Home Market - payments for carriage shall be upon the terms specifically stated in the contract. If no such term is stated carriage charges will be invoiced to the Buyer at the Company's rates prevailing at the time of despatch

8. LOSS OR DAMAGE IN TRANSIT

Where the Company carries or procures the carriage of the goods, the Company shall not in any event be liable for loss of or damage to the goods in transit unless the following conditions are complied with

- 8.1 Damage: Delivery Notes must be signed "unexamined" unless goods are inspected immediately. Notification to the carrier and to the Company must be given in writing within three days from the date of delivery
- 8.2 Lost goods: For post, courier or pallet deliveries the Company must receive notification of non-delivery within 7 days of date of invoice

9. RIGHT TO CANCEL AND RETURN OF GOODS

- 9.1 Save where the Buyer is a consumer as defined in the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 the Buyer shall not be entitled to cancel any contract with the Company unless specifically provided for herein

9.2.1 if the Buyer is a consumer as defined in clause 9.1 hereto the Buyer may cancel the contract for the goods ordered at any time up to the end of the seventh working day from the date the Buyer receives the ordered goods. The Buyer does not have to give the Company a reason for cancelling and will not have to pay a penalty save as specifically provided for in 9.4

9.2.2 To cancel a contract the Buyer must notify the Company in writing

9.2.3 If the Buyer has received the goods before cancelling the contract the Buyer must send

the goods back to the Company's contact address at the Buyer's own cost and risk. If the Buyer cancels the contract but the Company has already processed the goods for delivery the Buyer must not unpack the goods when they are received and the Buyer must send the goods back to the Company at the Company's contact address at the Buyer's own cost and risk within 7 days of date of invoice

- 9.3 Once the Buyer has notified the Company that the Buyer is cancelling the contract, any sum debited from the Buyer's credit/debit card will be credited to the Buyer's account as soon as reasonably possible and in any event within 30 days of the Buyer's order PROVIDED THAT the goods in question are returned by the Buyer and received by the Company in the condition they were when delivered. If the Buyer does not return the goods delivered or does not pay the costs of delivery the Company shall be entitled to deduct the direct costs of recovering the goods from the amount to be credited to the Buyer

- 9.4 Certain goods will be delivered in sealed anti static bags. If goods of this type are returned to the Company and the seal has been broken or tampered with the Company shall be entitled to charge a test and inspection fee of the goods of 30% of the net contract value plus VAT and deduct this amount from any credit due to the Buyer

10. PAYMENT

Unless the Buyer has an approved credit account agreed in writing by the Company payment in full and without set-off is due on the delivery or supply of goods or services. The Company reserves the right to charge interest at 2% above the Bank of England Minimum Lending Rate for the time being in force on all outstanding sums, interest to run from day to day and to accrue after as well as before any judgment

11. CREDIT ACCOUNTS

An approved Credit Account is a Buyer's account with a credit limit approved by the Company. If at any time the Buyer shall fail to pay any sum due to the Company by the due date the whole of the indebtedness of the Buyer to the Company shall immediately be due and payable. If at any time the Company in its absolute discretion shall consider that the credit limit on any approved account ought to be reduced or eliminated then the Company may notify the Buyer of the reduction in or elimination of the same credit limit and within seven days after such notification the Buyer shall pay to the Company the amount by which the sums due from it to the Company exceed the said reduced credit limit or as the case may be the whole of the indebtedness of the Buyer to the Company. The Company reserves the right to charge interest at the rate and in the manner referred to in Clause 10 such right to arise on the due date for any sum in an approved Credit Account

12. PASSING OF RISK

- 12.1 In cases where the Company carries or arranges the carriage of the goods, risk passes upon delivery to

the Buyer. In all other cases risk passes on collection from the Company's premises

13.4.5 if any distress or execution is levied on the Buyer

13. PASSING OF PROPERTY

13.1 Notwithstanding the provisions of Clause 12 as to the passing of risk, the goods shall remain the sole and absolute property of the Company until the Buyer has paid in full the agreed price thereof and all other sums due from the Buyer to the Company whether under this contract or otherwise (including any interest thereon). Notwithstanding such retention of title, the Company shall be entitled to maintain an action for the price of the goods as soon as payment falls due

Upon any such termination the Company shall have such rights of repossession and resale as are set out in clause 13.3 above

13.2 The Buyer acknowledges that it is in possession of the goods solely as bailee and in a fiduciary capacity for the Company until such time as the agreed price thereof and all other sums due from the Buyer to the Company, whether under this contract or under any other contract, have been paid in full. Until such time the Buyer will store the goods on its premises separately from others' goods (including its own) and in a manner which makes them readily identifiable as belonging to the Company and shall not alter, modify or add to any such goods or any marking or identification on them and shall maintain them in good condition

13.5 Subject to the provisions of this Clause and notwithstanding that the property in the goods has not passed, the Buyer may agree to sell the goods in the ordinary course of its business subject to the express condition that such an agreement to sell shall take place as agent and bailee for the Company whether the Buyer sells on its own account or not and that the proceeds of sale (less the Buyer's profit margin) are held in trust for the Company and kept separate from any monies or property of the Buyer or any third party

13.3 If payment for the goods supplied under this or any other contract is overdue, in whole or in part, the Company may (without prejudice to any of its other rights) retake possession of and/or resell any goods the title to which it has retained and the Buyer shall, upon the request of the Company, allow the Company to enter its premises during normal working hours for the purpose of recovering possession of such goods

13.6 The Buyer shall not in any circumstances place the proceeds of sale of goods supplied by the Company in any overdrawn bank account, so long as any sum payable to the Company remains outstanding

13.4 Notwithstanding any other agreement as to the terms of payment, the total invoice price shall immediately become due and payable and the Company shall have the right forthwith to terminate this contract (without prejudice to any other of its rights) upon the occurrence of any of the following events:

14. LIEN AND SET OFF

14.1 In addition to any lien to which the Company may otherwise be entitled, in the event of the Buyer's insolvency or failure to pay the price or any sum due under any other contract with the Company (including any contract treated as a separate contract by virtue of Clause 5 hereof) the Company shall be entitled to a general lien on all goods of the Buyer in the Company's possession for any sums due and unpaid under this or under any contract between the Company and the Buyer and for the reasonable cost of storing, handling and insuring the goods during the exercise of such lien, which cost accrues from day to day

13.4.1 if the Buyer commits any act of bankruptcy or if a petition of bankruptcy is presented against Buyer;

14.2 The Company may at any time give notice requiring that all sums due and payable to the Company on any account whatsoever be paid not later than seven days from the date of the notice. Notice given by the Company in accordance with this Clause shall be in writing specifying the amount due and the date for payment and shall be sent by recorded delivery to the registered office of the Buyer. If all sums due are not paid by the said date the Company shall be entitled to sell the goods or any part of them to meet all sums owing to the Company and all expenses of the sale

13.4.2 if the Buyer ceases or threatens to cease to carry on business;

14.3 The Company shall be entitled to apply any sum in any way arising out of the contract due from the Company to the Buyer in settlement of any sum due from the Buyer to the Company

13.4.3 if the Buyer shall enter into any negotiations for an arrangement or composition with its creditors;

15. EXTENT AND LIMITS OF LIABILITY (DEFECTIVE GOODS)

13.4.4 in the event of the Buyer being a limited company, if a petition is presented for an administration order or if a petition is presented or a resolution is proposed to wind up the Buyer or if a receiver of its assets or undertaking or part thereof is appointed

15.1 Subject to the provisions of this Clause the Company guarantees all goods against any defect which can be proved to the Company's satisfaction to have been caused by faulty materials or workmanship and which appears within 12 months from the date of despatch

- 15.2 Should such defect appear within such period, the Company will replace the defective product or part free of charge provided that:
- 15.2.1 the goods have not been subjected to unsuitable storage, treatment nor handling prior to use nor to abnormal use nor to use under abnormal conditions nor beyond their capacity as rated and recommended by the Company; or
- 15.2.2 the defect has not been caused or contributed to by exposure to direct weather conditions nor by operation in abnormal atmospheric conditions nor by reason of faulty installation servicing or repair of the goods by any person other than a duly authorised representative of the Company; or
- 15.2.3 The Buyer shall have notified the Company in writing of defect as soon as possible after the defect has become apparent quoting the serial number if any and the date of purchase
- 15.3 The following terms shall apply to the Company's guarantee:
- 15.3.1 Where the design of goods of the type in question has been altered since the goods were despatched, the Company may at its option supply goods of the new design;
- 15.3.2 Any repair or examination of defective goods shall take place at the Company's premises. It is the customer's responsibility to return the goods at their own cost and risk. If the goods are found to be defective as a result of faulty materials or poor workmanship they will either be repaired or replaced and returned to the Buyer;
- 15.3.3 The decision of the Company is final as to whether or not a defect is due to faulty workmanship or material;
- 15.4 Except as expressly provided in this Clause and except where the absolute prohibitions against exclusion and restriction of liability contained in the Unfair Contract Terms Act 1977 apply, the Company shall in no circumstances be liable to the Buyer in respect of any loss damage or injury of any kind (which for the avoidance of doubt includes consequential loss or damage) whether suffered by the Buyer or any other party and howsoever caused (including being caused by any defect in failure of or unsuitability for any purpose of the goods or by any negligence whether in relation to design or manufacture or examination or repair of the goods or at all) and all conditions warranties or other terms whether express or implied statutory or otherwise are hereby excluded
- 15.5 The Company shall not be liable for any loss of any kind (which for the avoidance of doubt includes consequential loss or damage) arising from any representations, statements, warranties, recommendations or advice made or given before the making of this contract
- 15.6 In sub-clauses 15.4 and 15.5 of this Clause the expression "consequential loss" shall include loss of profit, loss of business revenue, loss of user or loss of goodwill whether of the Buyer or of any other party
- 15.7 Notwithstanding the foregoing or following Clauses or sub-clauses of these conditions, the liability of the Company in respect of any claim shall in any event be limited to whichever be the greater of (i) such sum as the Company may by reasonable steps be able to obtain under such insurance as it may have which covers the claim or (ii) the sum of £25,000.00
- 16. DEFAULT OR INSOLVENCY**
- 16.1 Without prejudice to the provisions of Clause 13.4 the Company shall be entitled forthwith to terminate this contract (without prejudice to any of its other rights inter alia to recover payment due in respect of delivered goods and all expenses properly incurred by the Company in performing the contract) and/or to cancel further deliveries in the event of any default of payment under this or any other contract between the Company and the Buyer or in the event of any breach of this agreement by the Buyer or on the occurrence of any of the events set out in Clause 13.4 hereof
- 17. FORCE MAJEURE**
- 17.1 Without prejudice to the generality of any previous exclusion or limitation of liability, the Company shall not be liable for any failure to fulfil any term of any transaction governed by these conditions if fulfilment has been delayed hindered or prevented by any circumstances whatsoever which are not directly within the Company's control and if the Company is able to fulfil some but not all of the demand for its products the Company may allocate its available supplies amongst its customers including parent, subsidiary or associated companies in such manner as the Company in its absolute discretion considers to be fair
- 18. PROPER LAW**
- 18.1 The proper law of the contract is English Law, the Buyer submits to the exclusive jurisdiction of the Courts of England