

BMI Foundry Services Ltd ("the Company")

CONDITIONS OF SALE

1. GENERAL

(a) Quotations are given and contracts are entered into by the Company subject only to these Conditions of Sale and to the exclusion of all guarantees, warranties and conditions (including any guarantees, warranties or conditions set out or referred to in any other purchasing or tender documents of the Buyer) whether expressed or implied by Statute Common Law or otherwise except insofar as they are not inconsistent with these Conditions of Sale or insofar as such exclusion shall be prohibited by Law.

(b) No amendment to these Conditions of Sale shall have any effect unless approved in writing by a Director or other authorised employee of the Company.

2. CANCELLATION. Orders confirmed by the Company cannot be cancelled except with the written consent of the Company.

3. TERMS OF PAYMENT. Unless otherwise stipulated by the Company in writing payment should be made before the end of the month following the month of delivery. In the case of instalment contracts payment will be made within this time in respect to delivery of each instalment.

4. LIEN. The Company will be entitled to exercise a general lien on all goods belonging to the Buyer in possession of the Company or in transit to the Buyer in respect of any monies owing to the Company from the Buyer on any account.

5. PASSING OF PROPERTY AND RISK

(a) Unless the quotation or sales contract shall otherwise provide, risk in the goods shall pass the Buyer at the time when the goods leave the premises of the Company. In the event of the goods being delivered directly from a warehouse or other despatch point not being part of the premises of the Company then risk in the goods shall pass when the goods are delivered from the warehouse or despatch point as the case may be into the charge of the carrier.

(b) Title shall not pass in the goods until the Buyer shall have paid in full the purchase price for the goods and all other monies (if any) payable and due to the Company under the contract. The Company will be entitled to retake possession of goods in respect of which the Buyer shall have defaulted in payment and for that purpose only to enter upon any premises of the Buyer. If the Buyer shall incorporate the goods with other materials or substances before title shall have passed to it then the Buyer will be regarded as having assigned title in such compound goods or materials to the company until such time as payment in full of the balance outstanding shall have been made to the Company.

6. DAMAGE OR LOSS IN TRANSIT . Notwithstanding the provisions of Clause 5 hereof, when the price quoted includes delivery whether to the Buyer's premises or elsewhere, then the Company will accept liability for damage or loss in transit provided:-

(a) Such damage or loss is notified to the carriers and the Company immediately upon delivery of the goods to the Buyer or its agent or its assignee as advised to the Company; or if the damage or loss was not apparent at the time of delivery being made then such damage or loss is notified to the Company and to the carriers within seven days of delivery, and

(b) Liability shall be satisfied by replacing the goods damaged or lost in transit as soon as is conveniently possible, or at the option of the Company by refunding the purchase price, or a fair proportion thereof (if paid), so that the Company shall in no way be liable for any consequential or indirect loss or damage suffered by the Buyer.

7. DEFECTIVE GOODS. If any of the goods shall be found to be defective quality or not in accordance with agreed specification then the Company will at its option either replace the goods at its expense or refund to the Buyer the sales price of the goods, provided that if requested the Buyer will without delay, at the expense of the Company, return the goods that are the subject of complaint to the Company if the said goods are still in existence. The liability of the Company will be satisfied by replacing the defective goods or refunding to the Buyer the sales price of the goods and the Company shall in no event be liable for loss of profit, damage to plant or any consequential or special loss or damage sustained by the Buyer. Any dispute or questions arising thereout will be settled by Arbitration in London in accordance with the rules of the Minor Metals Trade Association

8. INSTALLMENT CONTRACTS. If the Buyer shall make default in payment of any monies payable to the Company in relation to any delivery or any pre-payment under a contract for delivery by instalments then the Company shall be entitled within its discretion summarily to terminate the then outstanding balance of the contract by serving notice to that effect upon the Buyer.

9. INSOLVENCY. If the Buyer shall at any time before delivery to it by the Company of all or any part of the goods the subject of the contract (being a company) have an Administration Order made against it or a Receiver appointed of all or any part of its assets or enter into liquidation whether compulsory or voluntary (otherwise than for purposes of amalgamation or reconstruction) or (being an individual or partnership) enter into any composition with its creditors or be adjudicated bankrupt then the Company shall be entitled within its discretion summarily to terminate the contract or any outstanding balance thereof.

10. INTEREST. If the Buyer shall fail to make any payment due to the Company under the contract punctually then the Buyer shall pay interest to the Company on the amount outstanding from the due date of payment until the date of payment to the Company at a rate equal to three percent over Base Rate of Barclays Bank Plc prevailing from day to day.

11. CHEMICAL ANALYSIS. In the event of a dispute as to analysis the matter will be referred to an independent analyst to be agreed between the parties and in default to be nominated by the The Minor Metals Trade Association. Such analyst shall act as expert and not arbitrator and his findings (in the absence of patent error) will be final and binding on both parties. The costs of analysis shall be borne by the party in default or apportioned pro rata in the event of partial fault being established.

12. HEALTH & SAFETY. The buyer must make all reasonable tests/examinations to ensure goods are safe and without risk prior to use.

13. FORCE MAJEURE. The Company shall not be held liable for any loss or damage caused by delay in delivery or failure to deliver occasioned by strikes, lockouts, epidemics, staff shortages, late arrival of raw materials, breakdowns, accidents, fires, wars, insurrections, riots, Acts of God, or any circumstances beyond its control, provided that in the event of any such circumstances causing a delay in delivery then the Company shall be entitled to serve written notice of such circumstances on the Buyer and should the situation prevail for a period exceeding ninety days from the date of such notice then either party shall be entitled within a further period of ten days to cancel the contract or that part of the contract still outstanding.

14. LAW. This contract shall in all respects be governed by and construed according to English Law.