

Standard terms and conditions of sale

1. DEFINITIONS

- 1.1. "Buyer" means the person, firm or company placing an order with the Seller.
- 1.2. "Seller" means Gateway Electronic Components Limited.
- 1.3. "Goods" means all goods and materials which are subject of the Buyer's order or which are to be supplied to the Buyer by the Seller under these Conditions of Sale.
- 1.4. "Contract" means the Contract formed by the Seller's acceptance of the Buyer's order.

2. FORMATION OF CONTRACT

- 2.1. There shall be no binding agreement between the Seller and the Buyer until the Seller accepts the Buyer's order by an acceptance of order form. All verbal orders must be confirmed in writing within seven days from the date of the verbal order.
- 2.2. All orders are accepted subject to the Seller's Conditions of Sale. No terms or conditions put forward by the Buyer shall be binding on the Seller.
- 2.3. The Buyer agrees that these Conditions of Sale, and any specific details stated on the face of the acceptance of order form, constitute the entire understanding between the parties hereto and that there are no representations, warranties, conditions, terms or obligations, whether written or oral, express or implied, by custom or otherwise other than those contained herein.

3. PRICES

- 3.1. Unless otherwise expressly agreed to the contrary, the Goods shall be sold and invoiced at the Seller's prices in effect at the time of shipment of the Goods. The Seller's prices are exclusive of all taxes, duties and delivery charges. The cost of delivery arranged by the Seller pursuant to Clause 5.4. shall be for the account of the Buyer and shall be set out on the Seller's invoice.
- 3.2. Unless a specific prior agreement has been made between the Seller and the Buyer that the pricing is fixed for an agreed duration, all pricing quoted by the Seller and all orders acknowledged by the Seller may be subject to review if the Seller's costs have changed as a result of price amendments imposed by the manufacturer, cost amendments of third party value added service providers, or variations caused by fluctuations in exchange rates.
- 3.3. In the case of non-cancellable and non-returnable agreements (NCNR) made between the Seller and the Buyer, the Buyer will remain liable for all stock and non-cancellable incoming material to the Seller, the pricing of which will be subject to alteration under the terms of clause 3.2.
- 3.4. The Seller will not invoice the Buyer at a price different than that confirmed on its sales order acknowledgement without the prior consent of the Buyer. In the case of NCNR orders, on the publication of the new price by the Seller to the Buyer the Buyer will be deemed to have given its consent to the new price.
- 3.5. In the case of non-NCNR products and orders the Buyer will have the right to cancel any outstanding balance of its order subject to a 15% cancellation charge.

4. PAYMENT

- 4.1. Unless otherwise expressly agreed in writing, payment including carriage charges and applicable VAT shall be made in cash or by cheque in pounds sterling with the order. At the discretion of the Seller and subject to the provision of satisfactory references, payment may be made in pounds sterling within 30 days from the last day of the month of invoice.
- 4.2. Without prejudice to the Seller's other rights, including the right in any event to sue for the price immediately payment becomes due whether or not property in the Goods has passed, the Seller reserves the right to charge interest to be added to the amount of any delayed payment at the rate of three percent (3%) per month or part of a month until payment in full has been received.
- 4.3. The Buyer shall not be entitled to withhold payment of any amount due under the Contract in respect of any disputed claim for damage to the Goods or in respect of any other alleged breach of contract by the Seller, nor shall the Buyer be entitled to set-off any moneys for which the Seller disputes liability against any amount due or payable by the Buyer under the contract.
- 4.4. The Seller shall be entitled to cancel the Contract if the Buyer shall suffer any distress or execution to be levied on its goods or if it makes any arrangement with its creditors or enters into liquidation, whether compulsory or voluntary, except for the purpose of amalgamation or reconstruction or has a receiver appointed of any of its property or assets, or if the Buyer, being an individual, shall commit an act of bankruptcy or have a receiving order made against him.
- 4.5. If any payment is not made when due, the Seller shall be entitled to suspend further deliveries under this, or any other, contract with the Buyer and to cancel this contract in whole or in part without prejudice to its other rights and without incurring any liability to the Buyer.

5. DELIVERY

- 5.1. Whilst the Seller will use its reasonable endeavours to avoid delay, the Seller shall not be liable to the Buyer for any loss or damage, whether direct, indirect or consequential. If it is delayed or prevented from delivering the Goods or otherwise performing its contractual obligations due to force majeure, act of God, natural disasters, fire, flood, explosion or earthquake, serious accidents, prohibition or limitation of exports or imports, any act of government, war, insurrection, riots, strikes or labour disturbances (whether at the Seller's works or elsewhere), shortages of materials or any other cause or event whatsoever beyond the reasonable control of the Seller.
- 5.2. In the event of the occurrence of any of the causes or events mentioned in Clause 5.1. above, the Seller may at its option either suspend performance or, cancel the Contract or so much of it as remains unperformed without liability for any loss and without prejudice to the Seller's rights to receive payment of the price of all Goods previously delivered, or work already done.
- 5.3. The Seller may make delivery by instalments unless otherwise agreed. Failure by the Buyer to accept or pay for any instalment may be treated by the Seller as a repudiation of the Contract.
- 5.4. Unless otherwise specified in the Seller's quotation or acceptance of order, the Seller shall arrange delivery of the Goods to the Buyer's premises or any other delivery point indicated in the Contract and shall insure the Goods to the point of delivery. The costs of such delivery and insurance shall be for the account of the Buyer and shall be set out on the Seller's invoice.
- 5.5. No claim for damage to the Goods may be made unless notified to the Seller and the carrier within three working days of the receipt of the Goods by the Buyer.
- 5.6. Claims for non-delivery must be made within 10 days of the advised date of despatch of the Goods.
- 5.7. Goods may be returned for credit and orders relating to them may be cancelled or rescheduled at the sole discretion of the Seller. A cancellation charge equal to twenty per cent of the purchase price of the standard Goods subject to cancellation rescheduling or return and eight weeks prior written notice will normally be required.

6. RISK

- 6.1. If the Seller arranges delivery pursuant to Clause 5.4 the Goods shall be at the Buyer's risk immediately on delivery to the Buyer's premises or any other delivery point indicated in the Contract.
- 6.2. If the Buyer arranges the carriage of the Goods from the Seller's premises, the Goods shall be at the Buyer's risk immediately on delivery to the carrier and the Buyer must insure the Goods accordingly.

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7. RESERVATION OF TITLE

- 7.1 The Seller shall retain title to the Goods until it has received payment in full of all sums due in connection with the supply of all goods to the Buyer at any time. For these purposes the Seller has only received a payment when the amount of that payment is irrevocably credited to its bank account.
- 7.2 If any item of Goods owned by the Seller is attached to, mixed with, or incorporated into other goods not owned by the Seller, and is not identifiable or separable from the resulting composite or mixed goods title to the resulting composite or mixed goods shall vest in the Seller and shall be retained by the Seller for as long as and on the same terms as those on which it would have retained title to the Goods in question.
- 7.3 The Buyer shall store goods owned by the Seller in such a way that they are clearly identifiable as the Seller's property, shall maintain records of such goods identifying them as the Seller's property, of the persons to whom it sells or disposes of such goods and of the payments made by such persons for such goods. It will allow the Seller to inspect these records and the goods themselves on request. All Goods supplied by the Seller in the Buyer's possession shall be presumed to belong to the Seller (unless the Buyer can prove otherwise).
- 7.4 The Seller shall be entitled to trace the proceeds of sale and any insurance proceeds received in respect of goods owned by the Seller. Such proceeds shall be paid into a separate bank account and shall be held by the Buyer on trust for the Seller.
- 7.5 If the Buyer fails to make any payments to the Seller when due, enters into bankruptcy, liquidation or a composition with its creditors, has a receiver or manager appointed over all or part of its assets, or becomes insolvent, or if the Seller has reasonable cause to believe that any of these events is likely to occur, the Seller shall have the right without prejudice to any other remedies:
- 7.5.1 To enter without prior notice any premises where goods owned by it may be, and to repossess and dispose of any goods owned by it so as to discharge any sums owed to it by the Buyer.
- 7.5.2 To require the Buyer not to resell or part with possession of any goods owned by the Seller until the Buyer has paid in full all sums owed by it to the Seller.
- 7.5.3 To withhold delivery of any undelivered Contract Goods and stop any Contract Goods in transit.
- Unless the Seller expressly elects otherwise any contract between it and the Buyer for the supply of Contract Goods shall remain in existence notwithstanding any exercise by the Seller of its rights under this clause.

8. INSURANCE

From the time at which risk passes under the provisions of Clause 6 hereof, the Buyer shall keep the Goods fully insured against all risks including, but not limited to, damage in shipment, until final payment is made.

9. WARRANTIES

- 9.1 Unless otherwise notified in writing to the Buyer, the Seller warrants to the Buyer that the Goods sold hereunder will be free from defects in material and workmanship for a period of one year from the date of receipt thereof by the Buyer. The Seller agrees that after prior written notice from the Buyer of such defects it shall refund the purchase price or replace, at the Seller's option, any such Goods (or parts thereof) which its examination discloses to have been defective and which are returned to the Seller's premises, transportation charges prepaid, during the warranty period. The Seller shall have no liability under this warranty for Goods damaged due to incorrect storage or operation by the Buyer or other misuse.
- 9.2 Where the Buyer instructs the Seller to make some alteration or modification to the Goods, the Seller will accept such instructions and use its reasonable endeavours to fulfil the buyers instructions, but on the following conditions:
- 9.2.1 The Seller in performing a service to fulfil the Buyers instructions is deemed to have made no representation and gives no warranty as to whether the Goods can be altered or modified in accordance with the Buyers instructions;
- 9.2.2 The Goods that are altered or modified pursuant to the Buyers instructions are excluded from the warranties given by the Seller pursuant to these conditions and in respect of such Goods, the Seller shall be under no liability to the Buyer whatsoever;
- 9.2.3 The Seller shall be under no liability to the Buyer in respect of such alterations or modifications and the same shall be carried out entirely at the risk of the Buyer;
- 9.2.4 Notwithstanding the fact that the Goods may prove to be defective following the alterations or modifications being carried out thereto, the Buyer shall pay for the Goods pursuant to these conditions; and
- 9.2.5 The Seller shall be under no liability to the Buyer in respect of the goods if following the alterations or modifications being made to them, the goods are not fit for the purpose the Buyer intended to put the Goods to.
- 9.3 There are no warranties, express or implied, of merchantability or of fitness for a particular purpose, or of any other kind, except those made in Clause 9.1 hereof. In particular, and to the extent permissible by law, all conditions and warranties which would otherwise be implied by statute or under the common law are hereby excluded.
- 9.4 Except to the extent of the Seller's responsibility expressly undertaken in these Conditions of Sale the Buyer shall fully indemnify the Seller in respect of all actions, suits, claims, demands, costs, charges or expenses arising from damage to or destruction of property, personal injury or death whether caused by the Seller, its servants, agents or sub-contractors in executing the Contract of howsoever caused.
- 9.5 Nothing in this Contract shall have the effect of excluding or limiting liability under the Consumer Protection Act 1987 to a person who has suffered damage caused by a defective product, or to a dependent or relative of such a person.
- 9.6 The Seller shall under no circumstances be liable for any indirect, consequential or incidental damages arising either from breach of any of the warranties contained in this Agreement or from any cause whatsoever.

10. SELLER'S REMEDIES

No relaxation, forbearance or delay by the Seller in enforcing any of the terms and conditions herein shall prejudice, affect or restrict the rights of the Seller hereunder, nor shall any waiver by the Seller of any breach operate as a waiver of any subsequent or continuing breach thereof.

11. AMENDMENTS OR VARIATIONS

No amendments to or variations of this Contract or any part thereof shall be valid as against the Seller unless it is in writing and signed by a duly authorised representative of the Seller.

12. HEADINGS

Headings to the Clauses in these Conditions of Sale are inserted for convenience of reference only and shall not affect the construction thereof.

13. SEVERABILITY

If any provision in these Conditions of Sale (or part thereof) shall be found to be invalid, ineffective or unenforceable, the invalidity, ineffectiveness or unenforceability of such provision (or part thereof) shall not affect any other provision (or remainder of the provision of which such invalid, ineffective or unenforceable part forms part). Accordingly all provisions (or parts thereof) not affected by such invalidity, ineffectiveness or unenforceability shall remain in full force and effect.



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14. EXPORT COMPLIANCE

The Seller is committed to complying with UK and EC export regulations and Laws, and will not sell or ship to companies in countries embargoed under the regulations. The Buyer is responsible at its own expense for obtaining any licence and complying with import and export regulations in force within its territory. The Buyer shall not directly or indirectly export Goods to prohibited entities or countries. It is the Buyers responsibility to obtain any license to export, re-export or import as may be required.

The Buyer represents and warrants that it is not on the Denied Persons, Specially Designated Nationals or Debarred Persons List and is not otherwise prohibited by law from purchasing the Goods. The Seller may require the Buyer to provide details of the end use and final destination of the Goods, and the Buyer in entering into any agreement with the Seller acknowledges that this will be provided upon request.

15. GOVERNING LAW AND JURISDICTION

All contracts incorporating these Conditions of Sale shall be governed by and construed in accordance with the laws of England and the Buyer agrees to submit to the non-exclusive jurisdiction of the English Courts.
