

Scorpion Oceanics Limited

Standard Conditions of Sale

1. General

In these Conditions, Scorpion Oceanics Limited is called 'the Company' and any individual firm, company or other party with whom the Company contracts is called 'the Purchaser'. 'The Goods' means the goods, materials or services which shall be the subject of the contract between the Company and the Purchaser 'The Price' means the prices specified in the Company's quotation, acknowledgement of order or other communication as agreed.

2. Contract

(a) Any contract for the sale of goods between the Company and Purchaser (hereinafter called 'the Contract') shall incorporate and be subject to these Conditions. In the event of the Purchaser seeking to incorporate special conditions into the Contract, such special conditions shall not apply unless they are accepted and agreed in writing by an authorised officer of the Company. Any conditions contained in the Purchaser's order form which conflict with these Conditions shall not be applicable.

(b) Any quotation given by the Company is an invitation to the Purchaser to make an offer only within 60 days of the quotation date unless otherwise agreed in writing. No order of the Purchaser placed with the Company in pursuance of a quotation or otherwise shall be binding on the Company unless and until it is accepted in writing on the Company's acknowledgement of order.

(c) Any waiver or breach of these conditions shall not prejudice the Company's rights in respect of any subsequent breach.

3. Prices

Unless otherwise provided in the Contract

(a) prices quoted are ex the Company's works and are subject to the Company's right to increase any price to take account of increases in labour, material and/or other costs of the Company as sub-contractors and suppliers, and/or costs of bought in components between the date of quotation and date of delivery.

(b) prices are exclusive of Value Added Tax and any other tax, duty, tariff or charge arising in the United Kingdom or elsewhere

(c) prices are exclusive of packing, insurance and freight charges.

4. Tolerance on Length

Unless otherwise provided in the Contract., all deliveries of products sold by length are subject to Scorpion Oceanics Limited suppliers' manufacturing tolerances on the required length. Further details are available on request.

5. Cable & Hose Markings

All cable and hose products will be marked with a Scorpion Oceanics Limited standard legend unless otherwise agreed in writing.

6. Risk

(a) The risk in respect of all goods supplied under the Contract shall pass to the Purchaser upon despatch from the Company's works but the property in the goods shall not pass to the Purchaser except as provided in Condition 7.

(b) Where damage or loss occurs to the goods before delivery thereof to the Purchaser in accordance with the provisions of the Contract, the Company undertakes to replace (or, at its discretion to repair) any goods damaged or lost in transit to the contracted place of delivery, in which event the time for delivery of the damaged or lost goods shall be extended for such periods as the Company shall reasonably require for such replacement or repair. Replacement, or (as the case may be) repair of the Goods by the Company in accordance with this sub-paragraph 6(b) shall be at the cost of the Purchaser and the Company shall be entitled to charge a reasonable sum in respect thereof.

(c) Conditions precedent to the Company's undertaking to repair or replace under sub-paragraph 5(b) above are ;

(i) that the Purchaser shall have given written notice of such damage or loss with reasonable particulars thereof to the Company within such time as will enable the Company to comply with the carrier's time limits or where made by the Company within three days after delivery.

(ii) that the Purchaser, if requested by the Company to do so, shall have returned in the case of damaged goods such goods to the Company's works within one month of receipt thereof.

7. Property

(a) The Company and the Purchaser expressly agree that until the Company has been paid in full for any goods, such goods shall remain the property of the Company and the Purchaser shall hold them as bailee. If the Purchaser sells the goods before payment in full has been made, the Company shall be entitled to the proceeds of resale or to claim for such proceeds.

(b) So long as the property in the goods remains in the Company, the Company shall have the right, without prejudice to the obligation of the Purchaser to purchase the goods, to take possession of the goods and for that purpose to go upon any premises occupied by the Purchaser.

(c) The Company may maintain an action for the price of the goods notwithstanding that property in the goods may not have passed to the Purchaser.

8. Shipment and Delivery

(a) The goods properly packed and secured in such a manner as to reach their destination in good condition under normal conditions of transport shall be delivered by the Company at or despatched for delivery to the place or places and in the manner specified in the order or as subsequently agreed.

(b) The Company will use its reasonable endeavours to comply with any date or dates for despatch or delivery of the goods as stated in the Contract but unless the Contract otherwise expressly provides such date or dates shall constitute only statements of expectation and shall not be binding. The Purchaser shall accordingly accept delivery of the goods when tendered. Time shall not be of the essence of the Contract.

(c) If notwithstanding that the company has used its reasonable endeavours, the Company fails to despatch or deliver the goods or complete the work by such date or dates, such failure shall not constitute a breach of the Contract and the Purchaser shall not be entitled to treat the Contract as thereby repudiated or to rescind it or any related contract in whole or in part or claim compensation for such failure or for any consequential loss or damage resulting therefrom.

(d) If no time for delivery or completion is specified in the Contract, the Purchaser shall be bound to accept the goods when the same are ready for delivery by the Company. The Company shall be under no obligation to deliver or complete the same until the expiry of a reasonable time from the date of the Contract.

9. Payment

(a) The Contract price for the goods shall be payable in cash not later than thirty days from the date of invoice.

(b) In the event of any goods being delivered at the Purchaser's request by instalments, then each instalment shall be deemed to be the subject of a separate contract and these conditions shall apply to each contract mutatis mutandis. The Company shall in addition be entitled to request payment for any instalment of the Contract goods so delivered in accordance with the provision of sub-paragraph 9(a) above and failure to pay within the relevant period specified shall entitle the Company to suspend deliveries of the goods pending payment without prejudice to any claim for damages by the Company.

(c) The Company may, before executing an order require the Purchaser to prove to the satisfaction of the Company that it will fulfil all its obligations and make payments on the due date or dates. Should the Purchaser fail to satisfy the Company in this particular, the Company reserves the right to rescind the Contract forthwith and without notice and without liability of any kind to the Company and without prejudice to any claim for damages by the Company.

(d) The Company reserves the right to require pre-payment for products or services if the Purchaser is unable to satisfy the Company of its ability to fulfil all its obligations and make payment on the due date or dates.

(e) The Company shall be entitled to charge interest, before as well as after any judgement, at the rate of Two per cent per month on all overdue accounts (see paragraph 9(a)) and in addition may postpone the fulfilment of its own obligations and suspend work until such overdue payment is made.

10. Warranty

(a) The Company warrants that if the Purchaser within twelve months of delivery of the goods notifies the Company in writing of any defects of workmanship or materials in the goods and returns such goods to the Company properly and adequately packed carriage paid, the Company shall at its option replace such goods or repair such goods as are shown in materials or workmanship to the Company's satisfaction acting reasonably to be defective.

The warranty given in this sub-paragraph 10(a) ;

(i) shall not apply to any goods which have been free issued to the Company.

(ii) shall not apply to any goods supplied but not manufactured by the Company in respect of which the Purchaser shall only be entitled to the benefit of such warranty or guarantee as is given by the manufacturer to the Company and is capable of enforcement.

(iii) shall be conditional upon the Purchaser paying the Price in full in accordance with sub-paragraph 9(a)

(b) The Company's liability under the Contract is limited to making good defects or failures to the extent provided in Clause 10(a) hereof and subject thereto the Company shall not in any circumstances be liable for any loss, damage or expense (including consequential loss or damage) of any nature arising out of or in connection with any act, omission, neglect or default of the Company, its servants or agents in the performance of the Contract.

(c) The Company shall in no circumstance be liable for any loss or damage, costs or expenses which exceed in aggregate the sale price of the goods.

(d) In the case of accessories and ancillary equipment supplied to the purchaser for fitting to the Company's products, the Company shall be under no liability whatsoever for any damage or loss occasioned by such fitting unless carried out and properly tested by or under the supervision of the Company.

11. Testing

Before despatch ex works, all goods are tested to ensure that they conform to specification. These tests (or those of the Company's sub-contractors) shall be deemed conclusive evidence that the goods match specification. Special arrangements can be made by the Purchaser or representative of the Purchaser or third party to attend and witness such tests for an appropriate charge.

12. Force majeure and frustration

(a) The Company shall be entitled to cancel the Contract and in any event shall not be liable for loss or damage if the performance of its obligations is in any way adversely affected by any cause whatsoever beyond the Company's control including, but not limited to the default of any supplier, war, strike, lock out, trade dispute, flood, accident to plant or machinery, shortage of materials or labour.

(b) The Purchaser shall in the event of such cancellation pay to the Company at the Contract rate for all goods supplied, for all work done and for all materials used by the Company to the date of such cancellation.

(c) The Company shall be entitled to apply additional charges in the event of delays caused by the customer or their agents while working onsite or offshore.

13. Law

These Conditions and each and every contract made pursuant thereto shall be governed by and in accordance with the Laws of England and the Purchaser hereby submits to the jurisdiction of the English Courts.

14. Literature

The Company's literature, drawings, pamphlets and all advertising matter provide descriptions, performance details, weights and dimensions which are approximate and by way of identification only and none of these form part of the Contract. Their use shall not in any circumstances constitute a sale by description. Certified outline drawings will be supplied if necessary after receipt of the confirmation of order. The Company does not undertake to supply detail drawings. All drawings supplied and copyright therein shall be and remain the Company's property and shall be treated as strictly confidential and shall be returned immediately to the Company on request.

15. Infringement of patents or registered designs

The Purchaser shall indemnify the Company against all damages, penalties, costs and expenses to which the Company may become liable as a result of work done in accordance with the Purchaser's specification which involves infringement of any patent, registered design or copyright or other exclusive right and the Company shall be under no liability whatsoever to the Purchaser if the products breach any such rights of any third party.

16. Indemnity

The Purchaser shall indemnify and hold harmless the Company against all losses, costs, claims and expenses (including but without limitation any loss of profit or opportunity and all consequential loss) arising whether directly or indirectly from any breach of the Contract by the Purchaser including (but without limitation) cancellation of the Contract by the Purchaser. For the avoidance of doubt, the Purchaser has no right to cancel the Contract under the terms thereof.

17. Validity

The above Standard Conditions of Sale apply to all Contracts where Scorpion Oceanics Limited is the supplier, unless otherwise agreed in writing by an officer of the Company.

18. RoHS

Customers wanting RoHS compliant products must specify this requirement at the time of ordering.

19. Free Issue (Embodiment Loan)

(a) Items supplied by the Purchaser shall be of suitable condition and quality and shall be provided free of charge in sufficient quantities and in a timely fashion as required by the Company. Any defect in items supplied by the Purchaser shall not entitle the Purchaser to rescind or terminate the Contract, reject the Goods, make deductions from the Price or claim damages in respect of such defect and the Purchaser shall indemnify the Company and keep it indemnified from and against all action, demands, claims, proceedings, losses or costs arising from the supply of defective items by the Purchaser.

(b) The Company shall require clear and concise instructions in writing with items supplied by the Purchaser regarding any special handling, testing, training and packaging.

(c) If the Purchaser requires insurance cover on the supplied item(s), the Purchaser shall supply the Company with the replacement value.

(d) The Company shall require a Certificate of Conformity with items supplied by the Purchaser where applicable.