

## **HMK Technical Services Limited Conditions of Sale**

### **1. WORDS AND PHRASES**

In these conditions:

“CUSTOMER’S EQUIPMENT” means the equipment or material belonging to you, or for which you request us to provide the Supply.

“SUPPLY” or “SUPPLIES” means the engineering services, goods and associated supplies as set out in our quotation or other agreed documents or discussions between us.

“We”, “us” and “our” means HMK Automation Group Limited and its subsidiaries. “You” and “your” means the person or company to which we are providing the Supply.

“HMK” means HMK Automation Group limited and its subsidiaries. “RECIPIENT” means the person or company to which we are providing the Supply.

### **2. INCORPORATION OF CONDITIONS**

- a) Any contract or arrangement for Supplies made between you and us shall be subject to these conditions, and any terms you put forward do not apply.
- b) All other terms and conditions which might be implied by conduct or a previous course of dealing or trade custom are excluded from this contract.
- c) No amendment or change shall be made to these conditions of business except by contract in writing signed by one of our directors.

### **3. QUOTATIONS/PRICES**

- a) Our quotation provides an indication to you of the terms on which you may place an order, but no order from you as a result of a quotation (or otherwise) shall be binding upon us unless and until it is accepted or confirmed by us.
- b) A quotation is made on the assumption that the specification or work requested is reasonably capable of being provided. If this is found in our opinion not to be the case, we will advise you as soon as reasonably practicable, and may offer you reconditioned or new goods on terms to be agreed (or service exchange, if available). Our prices are based on the assumption that material you supply is of satisfactory quality and free from defects.
- c) If you give a general instruction for repairs without specifying the particular service or replacement parts, we will be entitled to carry out such repairs, modifications or service as in our opinion are necessary to put the Customer’s Equipment in good working order, and to make an appropriate charge for the work and parts provided.
- d) Provided your order is placed within thirty days of the date of the quotation, the price contained in the quotation shall be fixed unless the quotation states otherwise. If your order is not placed in that period, then if any change shall occur after that in the costs of any materials, labour, transport or other items, including overheads which we have to pay or incur for the performance of the contract, then you will pay the resultant increased price.
- e) If performance and delivery are postponed at your request or by circumstances within your control you will pay all resulting costs and expenses we incur.
- f) We will charge for all work carried out at your request, whether exploratory or otherwise and, in particular, we reserve the right to instruct our employees or agents to work overtime to comply with your delivery requirements in which case we may charge you the cost of such overtime.
- g) The contract shall be conditional on you procuring any export licence required for the export of the goods from the United Kingdom prior to the date of delivery.
- h) Our quotations shall be deemed confidential between the Supplier and the Customer. Disclosure of its contents, prices, specification, design IP and Bill of Materials are all covered by the scope of this confidentiality. The customer shall not pass this information to a third party without the express authorisation of HMK Automation Group Ltd and/or its subsidiaries.

### **4. WORK ON SITE**

If the Supplies are to be provided on your premises or at your request at some other site we will need free and safe access to the Customer’s Equipment, together with proper and safe storage and protection of all goods, tools, plant and equipment and materials we have on site. We may also require preparatory work and additional facilities to provide the Supplies. You will observe and comply with the latest Health and Safety at Work legislation and obtain all necessary consents and licences and ensure that the site is safe and without risk to the health and safety of all persons working there; and you will hold us harmless against all legal and regulatory proceedings, costs and charges in respect of your failure to do so.

### **5. PAYMENT**

- a) Payment on credit terms is only available to customers who have completed HMK account forms and have an approved credit limit.
- b) If a credit account has been approved by HMK and is operated within its credit limit, we will issue an invoice for the full amount due on completion of the Supply unless otherwise agreed with you. Invoices are due for payment 30 days net monthly. In all other cases, a proforma invoice will be issued, due for immediate payment. All payments will be in Pounds Sterling. Supply is deemed to be when goods are despatched or on notification from us that they are ready for despatch.
- c) Unless otherwise agreed, overseas orders must be covered by a confirmed irrevocable letter of credit drawn on a London clearing bank prior to commencement of work.
- d) If any payment is overdue, we shall be entitled without prejudice to any other right or remedy to suspend all further deliveries on any contract between us without notice and/or charge interest on any amount overdue at the rate of 4% per annum above the base rate from time to time of HSBC Bank plc compounding monthly.
- e) Goods shall remain our property until you have made full and unconditional payment to us of all sums due.
- f) Unless indicated otherwise, all sums payable under this contract are stated exclusive of Value Added Tax (which will be charged at the rate prevailing at the relevant tax point) and any other tax or duty chargeable under any relevant legislation.

### **6. DESIGNS DRAWINGS AND SPECIFICATIONS**

- a) You shall be responsible for the completeness and accuracy of any designs, specifications and other data which you or your employees or agents supply to us and which we use in connection with the Supply, even if we examine, inspect or comment upon them. You will hold us harmless against any liability to a third party which we may incur as a result of carrying out the Supply in accordance with your instructions or your designs, drawings, specifications or other data.
- b) You will respect the confidentiality and ownership of any of our copyright, design right or other intellectual property rights in any technical information, know-how, drawings, specifications or other documents disclosed by us, either under this contract or during the pre-order design and proposal stages prior to the contract being awarded.
- c) All recommendations and advice given without charge, whilst given in good faith and with due care, are given without responsibility on our part.
- d) All software provided by HMK will be provided on license on the proviso that the hardware is supplied by HMK technical Services Ltd, or its appointed subcontractor. This license will be revoked should the equipment fail to be supplied from these authorised routes.

### **7. WARRANTY**

- a) All products are backed by a 12 month, return to base (Congleton, UK) repair warranty.
- b) Unless we have arranged or agreed to do so, you will accept full responsibility for installing, examining and testing the goods or Customer’s Equipment on which we have worked as soon as it is delivered and we shall not be responsible for any damage, cost or loss incurred by you due to your failure to properly install or delay in testing the goods or Customer’s Equipment or in notifying us of any defect.
- c) In the absence of any special arrangements to the contrary, it is your responsibility to ensure that the supplies ordered are sufficient and suitable for your purposes.
- d) You accept that any other warranties and conditions implied by common law or statute are excluded to the extent permitted by law.

### **8. DELIVERY**

- a) Although we will endeavour to provide the Supplies within the time specified, no liability can be accepted for delays in delivery for whatsoever reason unless specifically agreed in writing.
- b) A charge will be made for additional tests or trial runs carried out at your request. Test certificates will be provided if required.
- c) Unless otherwise agreed, Supplies are provided ‘ex works’ without packaging and you are responsible for transportation. We will at your request and expense arrange carriage and insure the goods or Customer’s Equipment against normal transit risks. In the event of loss or damage in transit our responsibility shall be limited to passing on the benefit of insurance. We and the carriers must be notified of such damage or loss within seven days of delivery. It is your responsibility to examine the goods or Customer’s Equipment immediately on receipt.
- d) Unless otherwise agreed, the loading or off-loading of goods or Customer’s Equipment on collection or delivery shall be arranged by you and performed at your sole expense and risk.
- e) If goods or Customer’s Equipment are to be sent abroad, you will be responsible for obtaining any import license required for the country to which such equipment is to be dispatched.

### **9. LIMITATION OF LIABILITY**

- a) We accept that we are liable for any death or personal injury resulting from our negligence or the negligence of our employees or agents acting in the course of their employment. In relation to defects in goods sold to you by us, we may also be liable under the Consumer Protection Act 1987 or equivalent legislation, but only to the extent that such liability cannot lawfully be excluded.
- b) Apart from our contract to rectify any defects or errors in the Supply and to replace or repair the Customer’s Equipment or goods where there is loss or damage to goods in transit as set out above:
  - i) our maximum liability to you for direct loss or damage, either under this contract or arising from any act or omission, including negligence, will not exceed the total amount paid by you under this contract, or such higher sum as a court may specify as reasonable up to a limit of £100,000; and
  - ii) we will not be liable to you under any circumstances for any other loss including loss of contracts or loss of profits or loss of production or any indirect or consequential losses.
- c) We disclaim any responsibility for failure due to defects of material you supply. Whilst proper care is taken with your material, no liability whatsoever can be accepted in respect of material supplied to us, should it be accidentally spoiled, other than we agree to re-work replacement material supplied by you free-of-charge.
- d) Whilst proper care is taken with Customer’s Equipment and free issue parts, our liability in the event of accidental damage or loss thereto whilst at our works or in transit in our vehicles is limited to £10,000. we are not liable for any cause of loss or damage outside our reasonable control.
- e) The limitations and exclusions in this paragraph apply to any claim, whether in contract, tort (including negligence), breach of any statutory duty or implied term or any other claim.
- f) The limitations and exclusions in these conditions reflect the value of this contract to us and are considered to be reasonable. If you require us to accept greater liability, we may be prepared to do so subject to agreement of an additional charge to reflect the increased risk and cost of insurance to us.

### **10. UNFORESEEN EVENTS**

We will not be liable to you for any failure to perform our obligations under this contract where that failure results from any cause outside our reasonable control, including but not limited to natural occurrences, disruption of power supplies, the actions of third parties or industrial action, or from government advice against travel to site.

### **11. TERMINATION OF THIS CONTRACT**

We may bring this contract to an end if you fail to comply with your obligations under this contract, within seven days of having been notified by us of the relevant failure. We may also bring this contract to an end immediately if you are the subject of a petition for a bankruptcy order, or you become insolvent or enter into any composition, scheme or arrangement with your creditors. If you are a corporation or other legal person, we may bring this contract to an end immediately if a receiver (including an administrative receiver) is appointed over any of your assets or an

application is made to appoint an administrator for you. If you are in partnership, we may bring this contract to an end immediately if the partnership is dissolved. We may also terminate this contract if any proceedings relating to your insolvency are commenced in any country.

b) If this contract ends for any reason, we will be entitled to remove all of our equipment from your premises or from site. You will remain liable to us for any sums which you have not paid, for all Supplies provided up to the date of termination and for any other breaches of this contract.

#### 12. DISPUTES

a) Any dispute which we cannot settle amicably relating to the nature or quality of the Supply will be referred to an expert to be agreed or (if we and you cannot agree the choice of expert within 14 days of an expert being proposed by you or us) appointed at the request of you or us by the President for the time being of the Institute of Engineering & Technology (IET).

b) The written report of the expert will as between you and us be conclusive evidence of all matters of fact and all matters of opinion set out in the report and the charges of the expert shall be borne and paid as the expert may direct.

c) Any other dispute (except action to secure payment which we may at our option pursue in the courts local to you) will be determined by reference to the Courts of England and you irrevocably submit to the exclusive jurisdiction of such courts.

#### 13. GENERAL

a) You will not assign your rights under this contract without our express written approval. We may sub-contract the provision of certain of the Supplies at our discretion. No third party shall acquire any rights under this contract except as specifically stated in these conditions.

b) Any express or implied waiver by us of any failure by you to perform your obligations under this contract will not prevent the subsequent enforcement of those obligations. Similarly, any waiver we give will not be taken to be a waiver of any subsequent failure by you to perform that or any other obligation.

c) This contract constitutes the entire agreement between us relating to the Supply and overrides any prior correspondence or statements relating to the Supply (including any statements or representations in any advertisements or literature produced by us relating to the Supply).

d) If any provision of this contract is ruled to be invalid for any reason that invalidity will not affect the rest of this contract which will remain valid and enforceable in all respects.

e) This contract is governed by English law.

#### 14. STORAGE

If goods are not despatched within 14 days of notification that they are ready for despatch, you shall take delivery and arrange for storage. If you do not take delivery or arrange for storage we shall be entitled to arrange for storage at our works or elsewhere on your behalf and all charges for storage, insurance or demurrage shall be payable by you.

#### 15. DATA PROTECTION

To view a copy of our general privacy policy please visit <https://www.hmkdirect.com/general-privacy-policy/>

#### 16. EXPORT CONTROL COMPLIANCE

a) If Recipient transfers goods (hardware and/or software and/or technology as well as corresponding documentation, regardless of the mode of provision) delivered by HMK or works and services (including all kinds of technical support) performed by HMK to a third party Recipient shall comply with all applicable national and international (re-) export control regulations. In any event of such transfer of goods, works and services Recipient shall comply with the (re-) export control regulations of the United Kingdom, the European Union and of the United States of America.

b) Prior to any transfer of goods, works and services provided by HMK to a third party Recipient shall in particular check and guarantee by appropriate measures that: i) there will be no infringement of an embargo imposed by the European Union, by the United States of America and/or by the United Nations by such transfer, by brokering of contracts concerning those goods, works and services or by the provision of other economic resources in connection with those goods, works and services, also considering the limitations of domestic business and prohibitions of by-passing those embargoes; ii) Such goods, works and services are not intended for use in connection with armaments, nuclear technology or weapons, if and to the extent such use is subject to prohibition or authorisation, unless required authorisation is provided; iii) the regulations of all applicable Sanctioned Party Lists of the European Union and the United States of America concerning the trading with entities, persons and organisations listed herein are considered.

c) If required to enable authorities or HMK to conduct export control checks, Recipient upon request by HMK, shall promptly provide HMK with all information pertaining to the particular end customer, the particular destination and the particular intended use of goods, works and services provided by HMK, as well as any export control restrictions existing.

d) Recipient shall identify and hold harmless HMK from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any noncompliance with export control regulations by Recipient, and Recipient shall compensate HMK for all losses and expenses resulting thereof.

e) HMK shall not be obligated to fulfil this agreement if such fulfilment is prevented by and impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions.

### **Additional terms and conditions for all engineering work:**

These terms should be read in conjunction with the conditions of sale: Any requirement to go offshore would require specific additional discussions.

Assistance on site with commissioning pre-installed products can be offered by HMK, subject to prior discussion. All engineering work is offered on the basis of an hourly rate and travelling time to and from site is charged as site time.

#### Standard Site Rates:

Standard hourly rate	£120 per hour
Mileage: company car	70 pence per mile
Subsistence expenses plus any other fares or charges (e.g. air fare / parking charges)	Cost plus 10% administration fee

A timesheet, including a breakdown of expenses, will be submitted following the visit.

#### Definitions:

Hours	Description
Core	8-hour day
Overtime – rate 1	Over 8 hours but less than or equal to 12 hours / day.
Overtime – rate 2	Over 12 hours but less than or equal to 16 hours / day.
Anti-social hours	22:00 to 06:00
Saturday	Work or travel undertaken on a Saturday
Sunday/Bank Holiday	Work or travel undertaken on a Sunday or a UK bank holiday (as observed by HMK office).

The following overtime factors will be applied to the quoted hourly rate for site time:

Day	Core hours	Overtime – rate 1	Overtime – rate 2	Anti-social hours
Weekday	1.0	1.2	1.5	2.0
Saturday	1.5	1.7	2.0	2.5
Sunday/Bank Holiday	2.0	2.2	2.5	3.0

Note: HMK Technical Services Ltd. prioritises the wellbeing and safety of its personnel. On this basis, a maximum working duration of 16 hours per day applies to any work that is conducted on site. The limit of 16 hours applies from when the respective engineer departs from their home or hotel to when they return back to their respective home or hotel i.e. the limit includes travelling time and is measured from "base to base". In addition, a minimum rest time of 8 hours applies between consecutive working days on site.

#### Standard terms relating to site work:

A valid purchase order in line with any agreed credit terms, otherwise pro-forma payment, must be received by HMK prior to the engineer attending site.

Any request to extend a site visit must be agreed by the HMK Senior Manager supervising the work on site. In the event of such a request being made, the respective HMK Engineer will provide contact details for the respective HMK Senior Manager.

Should additional work on site be required, which is over and above the amount of site work originally ordered, then an amended purchase order should be sent to [orders@hmkdirect.com](mailto:orders@hmkdirect.com) and copied (via email) to the respective engineer working on site. HMK are unable to conduct any work on site without adequate purchase order cover being in place.

- The labour rates do not include any additional parts required.
- The labour rates are per engineer.
- All travel time is chargeable including any additional travel time caused by traffic delays.
- Any time spent by the engineer in site specific inductions is chargeable at the quoted rate. In addition, any time that the engineer is on site but unable to work on the machine due to lack of access is chargeable.
- HMK's generic site work method statement and risk assessment will apply unless otherwise stated. In the latter case, additional charges may be applied should a specific method statement and risk assessment be required.

Warranty: if a part is covered under warranty then the labour charge is still chargeable.