

VULCAN ENGINEERING LIMITED TERMS AND CONDITIONS OF SALE

SALES.COND.98.ISSUE.20 – 17.06.2014

This issue of our Terms and Conditions of Sale replaces all previous issues and governs all supply of products from Vulcan Engineering Limited, from the above issue date, until any subsequent issue of our Terms and Conditions of Sale is produced.

A) Definition: The phrase “Vulcan” where used in these terms shall mean Vulcan Engineering Limited.

The phrase “Buyer” where used in these terms shall mean the party purchasing products (“the Goods”) from Vulcan Engineering Limited

1. All offers and quotations made by Vulcan, and all orders accepted, are subject to the following conditions as if included in such offers, quotations or order.
2. These Terms and Conditions shall govern the sales of the Goods to the exclusion of any other terms and conditions subject to which any such quotation is accepted or purported to be accepted, or any such order is made or purported to be made, by the Buyer.
3. No variation to these Terms and Conditions shall be binding unless agreed in writing between the authorised representatives of the Buyer and Vulcan.
4. Vulcan's employees or agents are not authorised to make any representations concerning the Goods, their application or use and/or service unless confirmed by Vulcan in writing. In purchasing the Goods, the Buyer acknowledges that it does not rely on, and waives any claim for breach of, any such representations, which are not so confirmed and the Buyer accepts they act entirely at their own risk.
5. Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by Vulcan shall be subject to correction without any liability on the part of Vulcan.
6. Where the Goods consist (in whole or part) of Goods manufactured by third parties, then these Terms and Conditions together with the Terms and Conditions of the relevant third party manufacturer, so far as they relate to the use of the Goods, will apply.

B) Prices

1. All orders are accepted and quotations made subject to Vulcan's right to charge its price ruling at the date of despatch unless specifically otherwise agreed in writing by Vulcan.
2. Prices quoted apply to the quantity quoted and may not apply to lesser quantities than specified.
3. Where prices are quoted for annual usages and the quantity quoted for is not taken within 12 months from the date of the Buyer's order, Vulcan reserves the right to retrospectively charge the difference in price between the quoted price and the price applicable to the lower quantity actually taken.
4. All prices are exclusive of Value Added Tax which will be charged when appropriate.
5. The prices are in the currency as shown on the invoice. Should that currency cease to be legal tender in the country of the invoice address, or payment of the invoice otherwise be prevented in that currency, then the invoice amount becomes payable in Great British Pounds Sterling (GBP) at the exchange rate ruling on the date of the invoice.

C) Orders and Specifications

1. No order submitted by the Buyer shall be deemed to be accepted by Vulcan unless and until confirmed in writing by Vulcan.
2. The Buyer shall be responsible to Vulcan for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving Vulcan any necessary information relating to the Goods and/or service within a sufficient time to enable Vulcan to supply the Goods in accordance with its terms.
3. Where:
 - 3.1 The Goods are to be manufactured by Vulcan; or
 - 3.2 Any process is to be applied to the Goods by Vulcan; or
 - 3.3 A Service is to be provided by Vulcan; in accordance with a specification submitted by the Buyer, the Buyer shall indemnify Vulcan against all loss, damages, costs and expenses awarded against or incurred by Vulcan in connection with or paid or agreed to be paid by Vulcan in settlement of any claim for infringement or any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from Vulcan's use of the Buyer's specification.
 - 3.4 Vulcan reserves the right to make any changes in the specification of the Goods.
 - 3.5 Vulcan reserves the right to subcontract, in whole or in part, its obligations hereunder.
 - 3.6 All advice of Goods suitability or regulatory compliance is given in strict accordance with the following disclaimer:
Vulcan Disclaimer
Please note that due to the many application variants, which could affect seals and sealing performance, all of the information supplied is given in good faith and in Vulcan's best judgement and is meant for guidance purposes only. We make no warranty that any Vulcan part will perform satisfactorily in a given application and would strongly recommend an independent evaluation prior to acceptance. Vulcan reserves the right to amend all dimensions, statements and technical data without any prior notice.
4. All orders accepted by Vulcan on a Call-Off basis, will be manufactured and supplied in accordance with the guidelines of the Vulcan Call-Off Policy.

D) Customer Special Requirements

Any and all Buyer specific requirements; to Goods, materials, tolerances and other such details, or any compliance specification required, such as ATEX Certification, W.R.C. Materials, F.D.A. or 3A Compliance, or to any other standards, or requirements for non-standard production materials to those stated on Standard Mechanical Seal Material Specification in Engineering Standards 1.5, must be clearly specified upon Buyers written order. Vulcan's acceptance of the same is solely confirmed by a specific confirmation upon the Sales Order Acknowledgement. The Buyer must check the same for confirmation and validation of the Buyers requirements within the Sales Contract.

SALES.COND.98.ISSUE.20 – 17.06.2014

E) Small Orders and Carriage

1. Small orders are not subject to a minimum item charge where the Goods are one of Vulcan's four main product groups. Carriage will be charged on all despatches in accordance with the current version of 'Vulcan Engineering Limited Carriage Options and Charges' Price List.
2. Vulcan prefer to despatch Goods to the Buyer via Vulcan's own approved carriers, which Vulcan cost to the Buyer at a discounted rate. Should the Buyer absolutely necessarily need to arrange Buyers own "Customer Collection" then Vulcan will put those Goods out for collection by the Buyers carrier, at the date that the Buyer requests, or acknowledged by Vulcan. Should that consignment not be collected within 10 working days of the specified date, Vulcan will then despatch the Goods to the Buyer by the most economical method known to Vulcan. The Buyers invoice for the original supply of Goods will be raised on the date that the Buyer requested collection to be made. Should Vulcan then subsequently despatch ourselves, a secondary invoice will be raised to cover the discounted costs of carriage.
3. Due to repeat losses and lack of proper insurance cover, Vulcan will not despatch any consignment over £100 value by post.
4. Vulcan will apply a £10 (or 15 Euros or USD 15.00) surcharge to all despatches direct to any location that is not a branch of Vulcan's Buyer placing the order. If requesting despatch direct to a branch it is the responsibility of the Buyer to ensure Vulcan are aware the new address is a branch.

F) Returns Policy

1. Returned items will be inspected upon receipt. Items that are returned by the Buyer, in a condition as sold and are stock items under Vulcan's Stock Policy, and quantity is less than 24 months saleable stock, will be accepted back by Vulcan. Vulcan will refund these items, LESS 15% REASSESSMENT CHARGE to cover costs of full inspection, re-packaging etc. The Buyer will be liable for any and all carriage charges that arise as a result of the return.
2. If the items returned have been produced by Vulcan specifically to fulfil an order of the Buyer, Vulcan will only accept these items back onto stock and issue a refund (less 15% reassessment) if they are Stock Policy items, and quantity is less than 24 months saleable stock. The Buyer will be liable for any and all carriage charges that arise as a result of an agreed return.
3. Vulcan can only accept return of goods despatched in the last 24 months, product despatched over 24 months is only accepted as a return on a discretionary basis, please request Vulcan approval prior to returning any goods. No good despatched over 5 years from return proposal date can be accepted for return.
4. If return is for a partial quantity to that originally supplied, Vulcan reserves the right to review original pricing to see if higher net price should have been occurred for quantity kept. In these instances the amount will be deducted from the value of the return. Please note 15% charge will still apply to the original invoice value.
5. Reassessment charge of 15% can be increased to 25%, if total volume of all products in return is ≥25pcs (excluding Chem-Rings), or total value of return is ≥ £1000, or product was despatched over 24 months before return date.
6. All returns where Vulcan supply was correct to Buyers order at are the discretion of Vulcan.
7. Vulcan cannot refund any returned items that were correctly produced specifically against the Buyers order that are not Stock Policy Items. Vulcan will not be liable for any carriage charges that arise under these circumstances.
8. Returned Goods with claims for incorrect supply by Vulcan, will usually be accepted by Vulcan and a full refund (including carriage incurred) will be issued. Vulcan reserves the right to assess each case of return individually. Vulcan's decision regarding refund is final. Any agreement to refund under these circumstances does not constitute an admission of liability.
9. 'Sale or Return' – Under some circumstances Vulcan will agree to sell Goods on a 'Sale or Return' basis. Under this agreement the Buyer can return purchased Goods in a condition as sold and within an agreed time limit, and receive a full refund. Any 'Sale or Return' agreement between Vulcan and the Buyer must be made before the Buyer orders.

G) Cancellation By The Buyer

1. No order which has been accepted by Vulcan may be cancelled by the Buyer except with the prior agreement in writing of Vulcan and any such agreement shall be on terms that the Buyer shall indemnify Vulcan in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by Vulcan as a result of cancellation. However, if Vulcan have incurred no costs because of the cancellation (example an order for stock Goods) Vulcan will not charge the Buyer any costs and Vulcan will accept cancellation.
2. Defects in any Goods shall not entitle the Buyer to cancel the remainder of an order or contract, nor shall the Buyer be entitled to return Goods already delivered which are not defective.
3. Every endeavour will be made to adhere to the estimated time of delivery given upon Vulcan's Acknowledgement of Order but failure to do so does not constitute a breach of contract.
4. The Terms and Conditions as stated in Vulcan's Order Acknowledgement form the basis of a contract between Vulcan and its Buyer and it is therefore incumbent on the Buyer to submit in writing details of any clause or condition of sale which the Buyer believes cannot be met. A Buyer will be deemed to have received and agreed to these Terms and Conditions unless the Buyer informs Vulcan to the contrary WITHIN 7 DAYS of the date of the acknowledgement.

H) Export

1. In order to ensure full compliance with UK export controls (promoting global security through strategic export control, facilitating responsible exports) and sanctions law and regulations, Buyer acknowledges and agrees that all Goods purchased from Vulcan are subject to control under UK/EU Export Administration Regulations. (EU) 961/2010 on restrictive measures against Iran and replacing regulation (EC) 433/2007 ('the Regulation') published by the official Journal of the European Union.

Buyer agrees that it will not export, re-export or transfer Goods purchased from Vulcan via any means to any prohibited destination or for a prohibited end user. The list of countries subject to United Kingdom economic sanctions may change from time to time, but currently includes Cuba, Iran, North Korea, Sudan, Syria, Yemen and Burma. Buyer acknowledges and agrees that it will not export, re-export or provide Goods purchased from to entities and persons that are ineligible under EU and United Kingdom law to receive such items, including but not limited to any person or entity as specified within the enforcing regulations.

By purchasing any Goods from Vulcan the Buyer is acknowledging they have read and understand this element of Vulcan's Terms and Conditions and agree to comply with all applicable export control laws. Buyer is also representing that Buyer are not under any control of, located in, or a resident national of any prohibited country, and are not a prohibited person or entity. This Term and Condition is not meant to be a comprehensive summary of the export laws that govern the Goods and services. It is the Buyers responsibility to consult with a legal advisor to ensure compliance with applicable laws.

2. Orders are quoted and accepted as Ex-Works prices unless quoted otherwise.

I) Delivery and Receipt of Goods

1. All Goods are checked before despatch. Careful examination of packing should be made for small parts, and care should be taken that consignments received are strictly in accordance with details as shown on Vulcan delivery note which should also correspond with the invoice sent separately by e-mail. Vulcan's invoice constitutes written advice as to date and quantity despatched.
2. Every effort is made to ensure that the quantity of Goods despatched corresponds exactly with the quantity advised on Vulcan's delivery note. However, especially on small components, there will inevitably be a margin of error and, therefore, VULCAN REQUIRES ITS BUYER TO ACCEPT A MARGIN OF ERROR OF +0.5% ON ALL DELIVERIES, and will not entertain claims for shortages unless the shortage is greater than 0.5% of any item advised.
3. Where Goods are specifically manufactured against a Buyer's order Vulcan reserve the right to over deliver or under deliver up to 10% of the quantity ordered and invoice accordingly and consider the order complete.
4. It is a condition laid down by the carrier that all claims must be notified in writing within seven days of receipt of Goods, or, in the case of non-delivery, within fourteen days after the date of despatch. After this period no claim can be accepted.
5. Claims for incorrect quantity or quality will only be recognised or considered if notified to Vulcan in writing within seven days of receipt of Goods.
6. If the Goods are found to be defective in material or workmanship and are so reported to Vulcan within seven days of delivery to the Buyer, Vulcan undertake to replace the Goods without charge to the Buyer. It is a condition of such undertaking that Vulcan are satisfied that the defect existed at the time when the Goods left Vulcan's premises. Vulcan's liability is limited to replacement of the Goods in exchange for the Goods originally supplied.
7. Vulcan will use it's best endeavours to deliver at the time stated but delivery dates shall be regarded as estimates only. Vulcan shall not be liable for any delay occasioned by any cause whatsoever.

J) Advice

1. Any advice or information which Vulcan may offer to Buyers or prospective Buyers is given to the best of Vulcan's ability, having regard to the relevant factors known to Vulcan and information provided to Vulcan, but is given expressly without any liability on Vulcan's part.
2. All advice of Goods suitability or regulatory compliance is given in strict accordance with the following disclaimer:

Vulcan Disclaimer:

Please note that due to constantly developing legislation, which may negate the contents of this document, all of the information supplied within is given in good faith and in Vulcan's best judgement and is meant for guidance purposes only. Vulcan make no warranty that any Vulcan part will perform satisfactorily in a given application and would strongly recommend an independent evaluation prior to acceptance. Vulcan reserves the right to amend all statements and technical data without any prior notice.

K) Vulcan's Designs

1. Any designs, drawings, plans, data or other information relating to the Goods ("Designs") supplied by Vulcan to the Buyer, or specifically produced by Vulcan for the Buyer in connection with the Contract together with the copyright, design rights or any other intellectual property rights in the Designs shall be the exclusive property of Vulcan. The Buyer shall not disclose to any third party or use any such Designs except to the extent that it is, or becomes, public knowledge through no fault of Vulcan, or as required for the purposes of the Contract.
2. It is the responsibility of the Buyer to ensure that Goods are suitable for the purposes for which they are required and any implied condition that the Goods are fit for any particular purpose is hereby excluded.

L) Payment Terms

1. Payment with order or prior to despatch may be required. Where credit is offered, which will be solely at Vulcan's discretion, Vulcan's normal terms of payment are net monthly. Therefore Goods shipped in any month must be paid for prior to the end of the subsequent month. If balances are outstanding Vulcan reserves the right to charge interest on outstanding balances at the rate of 2.1/2% per month or part thereof.
2. If default in due payment is made Vulcan shall be entitled to suspend delivery of any further Goods until the default is remedied.
3. Vulcan prefers payment by electronic methods. Bank details are published with new customer account forms and on some accounting paperwork. Buyer should not process any change of bank details notice purporting to be from Vulcan without first confirming by telephone to a Vulcan office. Under no circumstances shall Vulcan be liable for Buyers failure to exercise due care before making payments.

M) Title To Goods

1. The title to Goods and ownership thereof, shall not pass to the Buyer until full payment has been made (regardless of any right of the Buyer to withhold such payment) and until the date of the payment the Buyer shall store the Goods in such a way that clearly identifies them as the property of Vulcan.
2. The Buyer shall be responsible for comprehensively insuring the Goods or new objects as the case may be. If Goods in the original state or otherwise are sold by the Buyer, damaged or destroyed whilst in the custody of the Buyer prior to full payment

to Vulcan, the proportion of the proceeds of sale or of the insurance monies, amounting to not less than the invoice price of such Goods shall be paid to Vulcan forthwith after receipt by the Buyer.

3. The Buyer shall give Vulcan the right of entry into Buyer premises to repossess Goods or objects up to the full value of the invoice price for such Goods.

N) Liability and Limited Warranty

1. Vulcan warrants that the Goods and/or Service will be free from defects in material and workmanship for a period of six months or in the case of mechanical seal repairs three months from the date of their initial use or six and three months respectively from delivery, whichever is the first to expire.
2. The sole obligation of Vulcan under this Limited Warranty shall be to repair or replace or have its Buyer repair or replace any defective Goods from stock or if immediately unavailable to speediest production schedule of a complaint communicated in writing.
4. In no circumstances whatsoever shall Vulcan be liable for any consequential loss suffered by the Buyer whether caused by Vulcan's negligence, misrepresentation, breach of contract, warranty, or howsoever, and in these terms and conditions the term "consequential loss" is agreed to include but not to be limited to;
 - i. any loss of profit, revenue or income;
 - ii. any liability under any claim brought or initiated by a third party, and
 - iii. any expenditure directly or indirectly caused by, related to or arising out of any defects or failures in the Goods.
5. Without prejudice to the aforesaid, in no circumstances whatever shall Vulcan's liability or the amount of any indemnity, damages or compensation payable by Vulcan on any claim or claims whatsoever concerning or relating, directly or indirectly, to the Goods and including but not limited to claims based on negligence, misrepresentation, breach of contract, warranty or the aforesaid guarantee, exceed in total Vulcan's invoice price of those of the Goods which are complained of, excluding VAT.
6. Any Buyer shall ensure that the Limited Warranty, Disclaimer and Exclusions recited above (the "Limited Warranty") is disclosed and provided in writing to each Buyer prior to or contemporaneous with each purchase. Buyer shall indemnify and hold harmless Vulcan and its officers, employees, agents and affiliates against any cost, expense or liability (including without limitation reasonable attorneys' fees) incurred by Vulcan relating to the Buyer's failure to timely disclose and provide the Limited Warranty.
7. With respect to both Vulcan's Buyers and Buyers customers, the Limited Warranty shall supersede and displace any additional, inconsistent or supplemental warranties, limitations or exclusions of damages provided by Vulcan's standard Terms and Conditions or other documents or representations.
8. The above warranty is given by Vulcan subject to the following conditions:
 - 7.1 Vulcan shall be under no liability in respect of any defect in the Goods and/or Service arising from any drawing, design or specification supplied by the Buyer;
 - 7.2 Vulcan shall be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow Vulcan's instructions (whether oral or in writing) in particular, but not limited to, the incorrect handling or application of the Goods, misuse or alteration or repair of the Goods without Vulcan's approval;
 - 8.3 Vulcan shall be under no liability under the above warranty (or any other warranty, condition or guarantee) if the total price for the Goods and/or Service has not been paid by the due date for payment;
 - 7.4 Subject as expressly provided in these Terms and Conditions, and except where the Goods and/or Service are sold to a person dealing as a consumer (within the meaning of the Unfair Contract Terms Act 1977), all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.
 - 7.5 Nothing in these Terms and Conditions and in particular in clauses 4 to 6 hereof shall be taken as excluding or restricting or as attempting to exclude or restrict Vulcan's liability for death or personal injury resulting from negligence as defined in the Unfair Contract Terms Act 1977. Where the Buyer deals as a consumer (as defined in the Consumer Transactions (Restrictions on Statements Order) 1976) Buyer statutory rights shall not be affected by these Terms and Conditions.
9. Under no circumstances shall any recovery of any kind against Vulcan be greater in amount than the price of the Goods to the Buyer.

O) Infringement of Patents, Registered Designs or Copyright

1. The Buyer shall indemnify Vulcan against all damages, costs and expenses to which the Buyer may become liable as a result of work done in accordance with the Buyers specification which involves infringement or alleged infringement of a patent registered design or copyright.

P) Legal Interpretation

1. The contract between Vulcan and the Buyer is governed by English law and the Buyer submits to the non-exclusive jurisdiction of the English Courts.

Q) Miscellaneous

1. Vulcan reserves the right to alter the design of Vulcan's Goods at any time.
2. Invoice queries must be raised within 14 days of receipt. After this period, any claim may be rejected entirely at Vulcan's discretion.
3. Confirmation orders must be clearly marked 'confirmation' by the Buyer. In the event this is not the case and an order is supplied twice, Vulcan will accept the return if the Goods are stock policy, not specially manufactured for the Buyers order and Goods are fit for re-sale. A 15% inspection and re-stocking charge will be applied to any agreed return.
4. Verbal orders are accepted by Vulcan. Any such order is repeated back to the Buyer and then acknowledged. It is the responsibility of the Buyer to then check such acknowledgement and advise Vulcan of any discrepancy. Any Goods despatched before such advice will be accepted as a return, if the Goods are stock policy, not specially manufactured for the Buyers order and Goods are fit for re-sale. A 15% inspection and re-stocking charge will be applied to any agreed return.
5. What we intend to produce/supply, to Buyer request details for all new seal designs, requirements and amendments based on technical information, drawings and/or samples supplied to Vulcan, will be communicated back to Buyer prior to production. It

is beholden upon Buyer to check fully and acknowledge acceptance, of these details and if this is not received by Vulcan, then no liability will be accepted, should the supplied Goods not be to the Buyers requirements.

R) Seal Refurbishment

1. The stated lead time is subject to conditions at the same time of quotation. Please note that on receipt of confirmation to proceed, supply lead-time(s) can vary dependant upon stock levels and work in progress (at that time).

All prices exclude VAT. Carriage extra. Vulcan Engineering Limited Terms and Conditions of Sale apply.

Note: In the absence of material specification details, please note that the standard materials used for repair will be as follows:

Metallic: AISI 316L, unless Vulcan consider the part to be 304 stainless

Elastomers: Viton

Faces: Silicon Carbide/Resin Impregnated Carbon/Aluminium Oxide/Nickel Bound Tungsten Carbide/Chrome Oxide.

It is the responsibility of the Buyer to identify any and all variations from the specification above.

Pressure tests are not done, following seal refurbishment, unless requested in writing by the Buyer, and confirmed by Vulcan.

S) Anti Corruption

1.1 Vulcan shall:

1.1.1 comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption ("Relevant Requirements") including but not limited to the Bribery Act 2010 (the "Bribery Act");

1.1.2 not engage in any activity, practice or conduct which would constitute an offence under sections 1,2 or 6 of the Bribery Act if such activity, practice or conduct had been carried out in the UK;

1.1.3 maintain in place its own policies and procedures, including but not limited to adequate procedures under the Bribery Act ("Adequate Procedures") to ensure compliance with the Relevant Requirements and will enforce them where appropriate;

1.1.4 maintain in place Adequate Procedures to ensure that all persons associated with Vulcan or any persons (including any employee, agent, subcontractor or subsidiary) who perform Services for or on behalf of Vulcan under the terms of this Contract shall comply with the Relevant Requirements.

1.1.5 require the Buyer (if not the end user) to maintain in place Adequate Procedures to ensure that all persons who perform Services for or on behalf of Vulcan under the terms of this Contract shall comply with the Relevant Requirements.