

#### **General Sales Terms and Conditions Hatraco UK Limited**

#### valid from 01-01-2023

Company no. 14121302

Registered office:
1 London Street, Reading, Berkshire, RG1 4PN

www.hatraco.com

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## **Article 1: Applicability of General Sales Conditions**

- 1.1 These General Sales Conditions apply to all quotations and offers from and agreements and orders of whatever nature between Hatraco UK Limited (company number 14121302) with registered office at 1 London Street, Reading, Berkshire, RG1 4PN (hereinafter referred to as: "Hatraco") as seller or supplier and a counterparty as customer or purchaser (hereinafter referred to as: "customer"), relating to the sale and delivery of goods and related services (hereinafter collectively referred to as: "products").
- 1.2 Deviations from and additions to these general sales conditions are only valid if and insofar as they have been expressly agreed in writing between Hatraco and the customer.
- 1.3 A customer with whom an agreement has been concluded once under these general sales conditions accepts the applicability of these general sales conditions to all subsequent quotations and offers from Hatraco and orders and agreements between the customer and Hatraco.
- 1.4 If one or more provisions of these general sales conditions or the agreement would be null and void or nullified, these general sales conditions and the agreement will remain in force for the rest and the relevant provision will be immediately replaced in consultation between the parties by a provision that matches the purport of the original provision as closely as possible.
- 1.5 The applicability of the customer's general terms and conditions and any other terms that the customer seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing is explicitly rejected by Hatraco.
- 1.6 The customer waives any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of the customer that is inconsistent with these general sales conditions.

# **Article 2: Offers, Quotations and Commencement of the Agreements**

- 2.1All orders from customers must be in writing.
- Designs, images, calculations, statements of sizes, weights, models and other information provided by Hatraco, whether or not included in its offers, quotations, agreements, brochures, website and the like, are as accurate as possible. However, the customer may not fully rely on the correctness and completeness of this information, unless the parties have expressly agreed otherwise in writing.
- 2.3 An order constitutes an offer by the customer to purchase goods in accordance with these general sales conditions. The customer is responsible for ensuring that the terms of the order and any applicable specification are complete and accurate.
- 2.4 An agreement between Hatraco and the customer is only deemed concluded when Hatraco issues a written order confirmation to the customer, unless Hatraco, immediately after receipt of the order, carries out the work or the delivery. In that case an agreement is also concluded without a written order confirmation.
- 2.5 Verbal agreements and commitments made by Hatraco, or its personnel, are only valid and binding if confirmed in writing by Hatraco.
- 2.6 If an offer, quotation, agreement or order confirmation does not contain any specific reference to documents to be supplied by Hatraco, these documents explicitly do not form part of the agreement to be concluded. If the customer wishes to receive specific documents from Hatraco, including, but not limited to, origin documents or quality certificates, the customer must notify Hatraco in writing prior to the conclusion of the agreement (at the application stage). Without a timely request, Hatraco cannot guarantee that the documents desired by the customer can be sent to the customer. Specific documents will never be supplied as standard, and must therefore be explicitly requested by the customer. These will be quoted separately.
- 2.7 Hatraco reserves the right to update and amend the specifications of products if required by any applicable statutory or regulatory requirement, and Hatraco shall notify the customer in any such event.



## **Article 3: Rates**

- 3.1 All Hatraco rates are exclusive of value added tax, other costs and other levies imposed by the government.
- 3.2 The rates and any surcharges quoted by Hatraco are based on the currency ratios, material prices, transport costs and labour costs applicable at the time of the offer or quotation. If, after issuing the offer or quotation or concluding the agreement, Hatraco is confronted with additional costs due to increases in material prices, currency changes, transport costs, wage costs, import and/or export duties or levies of any kind, Hatraco is entitled to pass on these additional costs the customer.
- 3.3 If the customer has correctly informed Hatraco with reference to article 2.6 that it wishes to receive specific documents from Hatraco in addition to the products, all costs related to the request and sending of these documents will be sent to the customer separately. These costs are never part of the agreed price for the products to be delivered.

## **Article 4: Payment Conditions**

- 4.1 Payment of the amount invoiced to the customer must be made, without deduction, discount or set-off, within 30 days of the invoice date in British pounds sterling (£) currency, by means of deposits into a bank account to be designated by Hatraco, unless the parties have agreed otherwise in writing.
- 4.2 If the customer has not paid within the aforementioned term or a term agreed in writing between the parties in deviation therefrom, they will immediately be in default by operation of law upon expiry of that term and will be in default without further demand or notice of default. The statutory commercial interest on the amount is due from that moment until the day of full payment, all this without prejudice to the further rights that Hatraco has.
- 4.3 All costs arising as a result of judicial or extrajudicial collection of the claim are for the account of the customer, also insofar as these costs exceed the legal costs order. The extrajudicial costs are set at at least 15% of the principal amount and interest still due, with a minimum of £ 250 excluding VAT, without prejudice to Hatraco's right to claim the actual extrajudicial costs from the customer if they exceed this determined amount.
- 4.4 In the event of liquidation, bankruptcy or suspension of payment of the customer, the claims against the customer are immediately due and payable.
- 4.5 The customer is obliged to pay Hatraco a reasonable advance to be determined by Hatraco, whenever Hatraco requests it.
- 4.6 Whenever a reasonable advance payment has been requested by Hatraco, Hatraco has the right to suspend performance of the agreement or the work until the time that the customer has paid the advance payment to Hatraco.
- 4.7 If the customer does not comply with any of its obligations under the agreement, or if Hatraco suspects that the customer will not or will not be able to comply with any obligation as referred to above in the future, Hatraco will, at its own option, without being obliged to pay compensation, have the right to:
  - demand payment in advance, or proper security for payment, or immediate payment upon delivery;
  - suspend deliveries;
  - to dissolve the relevant agreement in whole or in part, with immediate effect.
- 4.8 In the event of termination or dissolution of the agreement, Hatraco retains the right to payments for work already performed and/or products delivered. The payment obligation with regard to work already performed or products delivered becomes immediately due and payable at the time of termination of the agreement.



## Article 5: Delivery, Delivery Time and Transfer of Risk

- 5.1 Unless agreed otherwise, delivery of the products takes place on the basis of Incoterms 2020 EXW Ex Works. Accordingly the products are delivered when placed at the customer's disposal at Hatraco's premises or other place agreed in writing by Hatraco and the customer, and loading/unloading, transportation, import/export clearance are the responsibility of the customer.
- 5.2 Upon written request of the customer and written agreement of Hatraco, Hatraco will arrange for the transportation of the products to a place specified by the customer. Hatraco will issue the transportation order and pay the freight charges directly to the carrier. The costs associated with the transport and shipping of the products will be fully charged by Hatraco to the customer.
- 5.3 For the avoidance of doubt, delivery of the products and the transfer of risk takes place when they are made available by Hatraco to the first carrier at Hatraco's premises, unless agreed otherwise in writing by the parties.
- 5.4 The risk of damage during transport, storage and unloading will be borne by the customer from the moment of delivery as referred to in 5.3. Unless otherwise agreed in writing, Hatraco will never take out transport insurance. The customer is at all times free to take out transport insurance at their own expense. At the explicit request of the customer, Hatraco is willing to take out one-off transport insurance against payment of additional costs.
- 5.5 Delivery time is understood to mean a term specified by Hatraco within which the products can be delivered. This specified term will be stated to the best of Hatraco's knowledge based on the information and circumstances known to Hatraco at the time of submission. Hatraco will make every effort to deliver the products within the specified delivery time.
- 5.6 Unless explicitly agreed otherwise in writing, stated or agreed delivery times are never strict deadlines and the time of delivery is not of the essence. In the event of late delivery, the customer must give Hatraco notice of default, subject to a reasonable term.
- 5.7 Hatraco reserves the right to deliver orders in instalments.
- 5.8 In the event of changes in circumstances other than those known at the time when the delivery time was determined by Hatraco, Hatraco is free to unilaterally extend the delivery time by the time that it requires in order to deliver the product.
- 5.9 Hatraco shall ensure that:

each delivery of goods is accompanied by a delivery note that shows the date of the order, all relevant customer and Hatraco reference numbers, the type and quantity of the goods (including the code number of the goods, where applicable), special storage instructions (if any) and, if the goods are being delivered by instalments, the outstanding balance of goods remaining to be delivered; and

if Hatraco requires the customer to return any packaging materials to Hatraco, that fact is clearly stated on the delivery note. The customer shall make any such packaging materials available for collection at such times as Hatraco shall reasonably request.

### **Article 6: Cancellation**

- 6.1 The customer is permitted under certain conditions to cancel an order.
- 6.2 Cancellation of an order is only permitted if this is permitted on the basis of these general sales conditions, or if the parties have explicitly agreed to this in writing. In all other cases, in addition to a cancellation penalty, the administration costs incurred by Hatraco will be charged to the customer.
- 6.3 With due observance of the provisions in 6.2, the following arrangement applies to cancellation of an assignment:
  - Cancellation within 7 days after placing the order, where the product has not yet been put into production, has not yet been manufactured, or has not yet been shipped, is permitted.
    - No cancellation penalty will be charged.
  - Cancellation following 8 days or later after placing the order, where the product has not yet been put into production, has not yet been manufactured, or has not yet been shipped, is permitted.
    - A cancellation penalty of 5% of the total order amount will be charged to the customer.



- Cancellation after the order has been placed, where the product has already been put into production, has been manufactured, or has been shipped, is only permitted with Hatraco's written approval.
  - In this case, a cancellation penalty of at least 15% of the total order amount will be charged to the customer.
- 6.4 If a product has to be returned as a result of cancellation of an order, all parts must be sent undamaged and packed in the original packaging material. Returns by the customer will be shipped as Delivery Duty Paid (DDP) to Hatraco's warehouse premises.
- 6.5 Returned products will be inspected by Hatraco upon receipt. In the event of missing, incomplete or damaged packaging materials or damaged products, Hatraco will charge the customer a fine of at least 10% of the total order amount.
- 6.6 The customer is expressly prohibited from cancelling orders placed in connection with the production, manufacture or delivery of the following products:
  - specially marked products (colours, logos or numbers specified by the customer);
  - products that do not qualify as standard, such as custom-produced or manufactured items, or items for a specific project or sales;
  - customer-exclusive products covered by a nondisclosure agreement;
  - non-storage products that cannot be resold or products specifically ordered from the manufacturer;
  - products defined by the original manufacturer as obsolete/expired;
  - Stitt spark plugs of certain series;
  - Kenco tanks, stands and parts.
- 6.7 With regard to incorrectly shipped and ordered products, Hatraco applies a separate 'Return Request' procedure. This procedure can be consulted on the Hatraco website and the text of this procedure will be sent by Hatraco to the customer at the customer's first request.

## **Article 7: Complaints**

- 7.1 The customer is obliged to inspect the products immediately after delivery and to inform Hatraco in writing of any visible defects within 24 hours of delivery at the latest. Hatraco accepts no liability for visible defects reported after the aforementioned period and in that case is not obliged to repair or replace the delivered products. In that case, the customer is also not permitted to return the product to Hatraco.
- 7.2 The customer has a general obligation to investigate other defects than the visible defects referred to in 7.1. If, after investigation, the customer is of the opinion that a product is defective, or should have Hatraco should have known that the product is defective, they must report this as soon as possible, but no later than 8 days after becoming aware of this defect, in writing to Hatraco with a description including sufficient details of the nature and extent of the defect.
- 7.3 If a complaint is submitted on time, the customer will at all times give Hatraco the opportunity to check the product in question, where Hatraco will, if it so wishes, obtain direct access to the location of use or the functional environment of the product, failing which the complaint will not be processed.
- 7.4 The customer is expressly aware that Hatraco can only assess the submitted complaint if it can examine the relevant products in an installed situation. If a product is removed by the customer for whatever reason, without the written approval of Hatraco, as a result of which Hatraco is unable to examine the (defective) product in an installed condition, the complaint will no longer be considered. Any claim that the customer might have under any warranty whatsoever will therefore lapse.
- 7.5 Complaints about an invoice or the amount of an invoice must, under penalty of forfeiture of their rights, be reported by the customer to Hatraco without delay. If the customer does not timely notify Hatraco of such a complaint, Hatraco will not process the complaint and the customer will continue to owe Hatraco the full invoice amount.
- 7.6 If Hatraco consider the complaint to be well-founded, Hatraco will be given a reasonable period of time to carry out the repairs required by Hatraco or, at Hatraco's option, to replace the defective product or service.



- 7.7 In the event of a non-timely or incorrect complaint, the delivered products are deemed to have been supplied in accordance with the agreement and Hatraco will be entitled to charge the customer for the expenses incurred with regard to the complaint handling.
- 7.8 Complaints submitted on time will not be dealt with and the products concerned will not be eligible for a return if it appears that these products have been modified or repaired by anyone other than Hatraco without the written permission of Hatraco.
- 7.9 Submitting a complaint never gives the customer the right to suspend their payment obligation towards Hatraco and does not in any way release them from their payment obligation towards Hatraco.
- 7.10 In addition to the complaints procedure described above, Hatraco uses a separates 'Testing & Repairs' procedure. This procedure can be consulted on the Hatraco website and the text of this procedure will be send by Hatraco to the customer at the customer's first request.

#### **Article 8: Warranties**

- 8.1 Hatraco is only liable under this warranty for defects in the products delivered by Hatraco if complaints about this have been made known to Hatraco in a timely and correct manner in accordance with article 7 of these general sales conditions and Hatraco has gained access to the product in an installed condition in time in accordance with articles 7.3 and 7.4.
- 8.2 Hatraco is only liable under this warranty for defects which are the direct result of material or construction defects or a flawed execution of the order by Hatraco. This warranty also applies only to those defects that were not reasonably observable on delivery and that appear under normal operating conditions and with proper use of the delivered product.
- 8.3 This warranty does not extend to defects resulting from or related to inexpert or improper assembly/disassembly or tampering of the products, inexpert or improper use of the products, inadequate or improper maintenance performed or repairs made by or on behalf of the customer, unauthorised modifications or adjustments made by or on behalf of the customer, nor to defects resulting from normal wear and tear, wilful damage, negligence, or abnormal storage or working conditions. No warranty or limited warranty is given on products that were not 'new' at the time of delivery or are supplied by Hatraco as 'used'.
- 8.4 Hatraco can never guarantee the correct operation of control software, unless this is explicitly related to the supplied hardware. Hatraco does not accept any responsibility for damage caused by misuse or improper installation of software or the service product.
- 8.5 Hatraco does not accept any liability for virtual goods such as log files, software and activations.
- 8.6 The customer can only invoke a warranty if they:
  - in accordance with article 7 of these general sales conditions, timely and correctly inform Hatraco about the defects found;
  - in accordance with article 7 of these general sales conditions, provide timely and correct access to the product concerned in an installed condition;
  - demonstrate that there is a defect;
  - provide all information that Hatraco deems necessary to be able to make a correct assessment of the defect;
  - cooperate fully to enable Hatraco to rectify a defect within a reasonable period of time.
- 8.7 Hatraco uses different warranty periods for its products. In any event, Hatraco's warranty obligations do not exceed the extent of the warranty obligations of Hatraco's suppliers. Kineteco mechanical starter products and their components are warranted for 1 year.
- The warranty for repaired products covers a period of 6 months after delivery. This warranty only covers hardware products.
- 8.9 In addition to the provisions of article 8.7, Hatraco uses a separate 'Warranty Application' procedure. This procedure can be consulted on the Hatraco website and the text of this procedure will be sent by Hatraco to the customer at the customer's first request.
- 8.10 Hatraco is only obliged under this warranty to repair, replace or make good the defective product, at the sole discretion of Hatraco.
- 8.11 After replacement, defective products replaced by Hatraco become the property of Hatraco by operation of law.
- 8.12 An allegation that Hatraco does not comply with a warranty obligation does not release the customer from its obligations under the agreements entered into with Hatraco.



8.13 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from the contract.

## **Article 9: Liability**

- 9.1 Hatraco has been unable to obtain insurance in respect of certain types of loss at a commercially viable price. The limits and exclusions in this clause reflect the insurance cover Hatraco has been able to arrange and the customer is responsible for making its own arrangements for the insurance of any excess loss.
- 9.2 The restrictions on liability in this clause 9 apply to every liability arising under or in connection with the agreement including liability in contract, tort (including negligence), misrepresentation, restitution or otherwise.
- 9.3 Nothing in the agreement limits any liability which cannot legally be limited, including liability for: death or personal injury caused by negligence;

fraud or fraudulent misrepresentation;

breach of the terms implied by section 12 of the Sale of Goods Act 1979.

- 9.4 Subject to clause 9.3, Hatraco's total liability to the customer shall not exceed an amount equal to the total of sums paid by the customer to Hatraco under the agreement.
- 9.5 Subject to clause 9.3, the following types of loss are wholly excluded:

loss of profits;

loss of sales or business;

loss of agreements or contracts;

loss of anticipated savings:

loss of use or corruption of software, data or information;

loss of or damage to goodwill;

indirect or consequential loss;

loss arising from improper use of the products supplied, or their use for a purpose other than that for which they are suited; and

loss arising from damage to or destruction of the products during transportation.

- 9.6 This clause 9 shall survive termination of the Contract.
- 9.7 The customer indemnifies Hatraco against all third-party claims for damage as a result of a product delivered by Hatraco to the customer.
  - 9.8 The customer indemnifies Hatraco against all claims from third parties with regard to use of designs, images, drawings, calculations, specifications of sizes, capacities, weights, yields, models and other data provided by or on behalf of the customer.

# **Article 10:Force Majeure**

- 10.1 If Hatraco is unable to fulfil its obligations under the agreement of is unable to do so properly or in time due to a cause which is not imputable to Hatraco, including but not limited to employee illness, computer network malfunctions, fire, water damage, flooding, strikes, sit-down strikes, import and export obstructions, government measures, disruption in the supply of energy, default of suppliers to Hatraco, as well as delay or hindrance of transport and other stagnation in the normal course of Hatraco's business, these obligations are suspended until the moment at which Hatraco is able to fulfil them in the agreed manner, without Hatraco being in default with regard to the fulfilment of those obligations and without being liable for any compensation.
- 10.2 Insofar as Hatraco has in the meantime partially fulfilled its obligations under the agreement at the time of the commencement of force majeure or will be able to fulfil them, Hatraco is entitled to charge separate for the part already fulfilled or to be fulfilled respectively. The customer is obliged to pay this invoice as if it were a separate agreement.
- 10.3 With due observance of the provisions of 10.2, the customer has the right, in the event that a situation as referred to in paragraph 10.1 occurs, to terminate the agreement in whole or in part and with immediate effect in writing, without any right to compensation.

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#### **Article 11: Retention of Title**

- 11.1 All products delivered and to be delivered on the basis of all agreements concluded between Hatraco and the customer (including products already paid for by the customer) remain the exclusive property of Hatraco, until all claims in respect of those deliveries that Hatraco has or will obtain from the customer have been paid in full.
- 11.2 As long as ownership of the products has not passed to the customer, the latter may not alienate or encumber the products. At Hatraco's first request, the customer undertakes to cooperate in the establishment of a right of pledge on the claims that the customer obtains or will obtain from its clients as a result of the onward supply or resale of products supplied by Hatraco.
- 11.3 Hatraco is obliged to keep the products that Hatraco has delivered to the customer under retention of title with due care, and also as the recognisable property of Hatraco and in a separate place from other products.
- 11.4 Hatraco is entitled to repossess products that it has delivered to the customer under retention of title and which are still present at the customer if the customer is in default of their payment obligations, if Hatraco's claims against the customer are immediately due and payable, or if the customer has, or is likely to have, payment difficulties in some other form. The customer will at all times grant Hatraco free access to its sites and/or buildings for the inspection of the products or for the exercise of Hatraco's rights.

## **Article 12:Intellectual Property**

- 12.1 Unless the parties have agreed otherwise in writing, Hatraco retains the copyrights and all industrial property rights to the offers made, quotations issued, designs, images, drawings, models, applications and the like provided by Hatraco.
- 12.2 All intellectual and industrial property rights shall remain Hatraco's property, regardless of whether or not the customer has been charged for their production. This information may never be copied, used or made available to third parties without prior permission from Hatraco and will at all times be returned to Hatraco at the first request of Hatraco.

# **Article 13:Applicable Law and Disputes**

- 13.1 All agreements between Hatraco and the customer are exclusively governed by English law.
- 13.2 Unless otherwise chosen by Hatraco, all disputes between Hatraco and the customer will be settled by a competent court in England & Wales, to the exclusion of all other judicial authorities.

#### **Article 14: Miscellaneous**

14.1 Unless it expressly states otherwise, the contract does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract.

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