



STANDARD TERMS AND CONDITIONS OF CONTRACT

1 General

Thank you for doing business with our company. We value your custom and look forward to being of service to you. These Terms and Conditions shall apply to and govern any agreement between

Modern Water: that Modern Water company or entity which made you the offer to supply goods and/or services; and

you, the Purchaser, to whom Modern Water's offer was addressed.

Any other terms, conditions, warranties or representations, whether made prior to, collateral with or subsequent to the contract are excluded. No additional terms of any nature put forward by the Purchaser, whether printed on the Purchaser's documents or in any other form, shall apply unless they are separately brought to Modern Water's notice and express consent thereto is given in Modern Water's written acceptance. This agreement and its terms shall be treated as strictly confidential.

2 Contract Date & duration of after-sales service contracts

a) The contract shall become binding upon the parties only when Modern Water accepts an order for goods or services from the Purchaser (the "**Order**"). Any quotation given by Modern Water shall be deemed to be an invitation to treat and not an offer on the part of Modern Water. For the avoidance of doubt, an Order may be oral or in writing and may, without limitation, include a signed copy of a work report.

b) Any after sales service contracts shall once entered into continue unless and until terminated by either party with 3 months' written notice to the other.

3 Cancellation

Unless otherwise required by law, orders placed and accepted cannot be cancelled except with our consent and on terms which indemnify us against loss. Goods returned without our consent will not be accepted for credit.

4 Prices & Payment and Risk & Title

a) The prices quoted by Modern Water are the prices at the time of quotation only and the price to be paid shall, unless agreed otherwise, be the standard price ruling at the date of delivery, at the time of installation or at the time of carrying out a service referred to in the Order as the case may be. To the extent they relate to goods, all prices are, unless otherwise stated, ex-works and payable in Sterling. Any estimates shall be prepared according to good engineering practice without Modern Water guaranteeing or accepting any liability for the accuracy or lack of accuracy when compared to actual charges.

b) Where the agreement between the parties does not specify other terms of payment the Purchaser, if in the United Kingdom, shall pay invoices in full not later than 30 days from the date of invoice and, if elsewhere, against irrevocable confirmed letters of credit through a London Clearing Bank, payable within 30 days from presentation by Modern Water of shipping documents.

c) Unless otherwise specified, all deliveries to the Purchaser by Modern Water shall be F.C.A., according to Incoterms 2010. Modern Water shall make no provision for transportation insurance when the Purchaser is in control of the shipment and responsible for the freight charges, unless specifically authorised to do so in writing. .

d) Notwithstanding any other provisions in the Order, these Terms and Conditions or any other applicable terms and conditions, all goods shall remain the property of Modern Water until Modern Water has been paid in

full. The Purchaser shall not endeavour to dispose of, or mortgage, or charge, or lend, or part with possession of the goods, other than in accordance with the agreed payment terms and only with the express prior written consent of Modern Water.

e) Inspection: The Purchaser must promptly inspect and accept any goods delivered or made available for delivery. In the event they do not conform to applicable specifications, the Purchaser shall promptly notify Modern Water of such non-conformance in writing and Modern Water shall repair or replace said goods in accordance with paragraph 8 of these Terms and Conditions. The Purchaser shall be deemed to have accepted the goods and to have waived any non-conformance in the event that such written notification is not received by Modern Water within thirty (30) days of delivery.

5 Overdue Accounts

The purchaser shall be liable to pay interest at the statutory rate of interest on a daily basis on all overdue accounts. The Purchaser has no right of set-off in payments due to Modern Water.

6 Limitation of Liability & indemnity

a) The total aggregate liability of Modern Water under or in connection with these Terms and Conditions, the Order and any other applicable terms and conditions shall not exceed the value of the Order.

b) Modern Water shall not be liable for any indirect or consequential loss or damage suffered by the Purchaser howsoever caused, including, without limitation, delay, loss of production, loss of profits, loss or damage to other property or goods.

c) Nothing in these Terms and Conditions shall limit Modern Water's liability for death, personal injury or fraudulent misrepresentation directly caused by Modern Water.

d) By placing an Order, the Purchaser agrees to fully indemnify Modern Water, its officers, directors, agents, employees and affiliated and parent companies, against all claims, cost, expense, loss or damage whether direct or indirect or consequential which Modern Water may suffer, howsoever arising from the Purchaser's breach of any of its obligations under the Order, these Terms and Conditions or any other applicable terms and conditions.

7 Warranty

a) Modern Water accepts liability for a period of twelve (12) months from the date of delivery, or, where the goods are installed by Modern Water, from the date of installation, or, in the case of a service, from the date of such service, to make good any defects in goods supplied or services carried out by Modern Water which manifest themselves under proper use as a result of faulty materials or bad workmanship by Modern Water, subject to the following provisions:

I. The goods have been installed by Modern Water or installed in accordance with instructions given by Modern Water.

II. The goods have at all times been operated in accordance with Modern Water' operating and maintenance instructions.

III. The nature of the input water or other governing data to the plant has not changed in composition by a significant amount.

IV. There has been no exchange or modification of the goods or the parts thereof after installation without prior agreement of Modern Water.

V. That only approved parts, chemicals and consumables are used.

VI. None of the settings of the equipment's control gear (save controls designed for customer's use) have been altered without written authority from

Modern Water.

VII. The equipment has not been misused or damaged by external force.

VIII. Where a service includes the repair of the goods, the guarantee shall only cover the repaired part of the goods and shall never, unless expressly agreed otherwise, extend beyond a period of 2 years from the start of the original guarantee period for the original service provided.

b) Modern Water shall not be liable for any normal wear & tear, nor does Modern Water accept liability for any consumables or perishable goods supplied to the Purchaser.

c) Save as aforesaid, Modern Water accepts no liability for any goods provided or installation or services carried out by Modern Water.

8 Claims and Returns of Goods

The entitlement of the Purchaser to any benefit of the guarantee shall be subject to the following conditions:

a) That any complaint shall be notified in writing to Modern Water in the case of alleged defects within twenty-one (21) days of the date of the alleged defect arising or being discovered by the Purchaser and in any event not later than twenty-one (21) days after the expiration of the guarantee period.

b) That the Purchaser shall prove to Modern Water's satisfaction that the alleged defect is one covered by one or more of the provisions of warranty and Modern Water shall have sole discretion whether the goods, or the part in question, should be made available for inspection by Modern Water's representative at the Purchaser's premises or whether the same should be returned at the Purchaser's cost and risk to Modern Water. The Purchaser shall also be responsible for all costs of redelivery of an alleged defective part after examination and / or repair by Modern Water unless Modern Water in its discretion shall otherwise decide.

c) Notwithstanding the foregoing permission in writing from Modern Water must be obtained before any goods are returned.

9 Variations and Other Events

a) All requests for variation of an Order must be in writing. If Modern Water in its sole discretion agrees to comply with the request:

- I) then the Purchaser must pay Modern Water the amounts reasonably invoiced for the variation; and
- II) Purchaser acknowledges that any variation may lead to additional costs and impact any time periods agreed between the parties.

b) Modern Water may increase the price stated in an Order if a delay occurs that is not attributable to Modern Water.

c) Modern Water may make changes to the goods, their delivery or packaging:
- without notifying the Purchaser, if the changes improve the goods or do not substantially deviate from their original specifications for the goods; or
- in other cases, with the Purchaser's approval.

10 Variation of Order Terms

Any attempt by the Purchaser unilaterally to vary the content of an Order (including these Terms and Conditions), whether orally or in writing, is void. Any variation of the Terms and Conditions of any Order will become binding only if agreed in writing by Modern Water.



11 Drawings

- a) All drawings and design information supplied by or on behalf of Modern Water remains or becomes the property of Modern Water and will not be copied, reproduced or disclosed to a third party without the written consent of Modern Water. Dimensions, weight and other details on such drawings and documents are approximate only unless certified by Modern Water.
- b) If required by the Purchaser, drawings and design information will be submitted for approval. The period allowed for approval of drawings or design information is limited to 10 working days from receipt thereof and delays in excess of this period may result in a delay in delivery, without compensation being payable to the Purchaser.

12 Purchaser Default:

If:

- a) the Purchaser fails to pay when due any amount owing to Modern Water; or
- b) the Purchaser breaches any other provision of an Order, these Terms and Conditions or any other applicable terms and conditions and fails to remedy the breach within 7 days after receiving written notice requiring it to do so; or
- c) any step is taken to appoint a receiver (including an administrative receiver), a receiver and manager, a trustee in bankruptcy, a liquidator, a provisional liquidator, an administrator or other like person of part or all of the assets or businesses; or
- d) any step is taken by a mortgagee to exercise any rights to take possession of any property of the Purchaser;

then: Modern Water may do either or both of the following (in addition to any other rights Modern Water may have):

- I. require the Purchaser to pay immediately the price of any goods or services invoiced but unpaid or to pay in advance of delivery or completion; or
- II. suspend or cease supplying any goods or services to the Purchaser.

13 Delivery, Force Majeure and Storage

- a) Where Modern Water has agreed to deliver the goods:
- I. It will make reasonable endeavours to deliver on or before the estimated date of delivery, but Modern Water excludes all liability for all direct and indirect consequences of delay caused in whole or in part by

strikes, lock-outs, works breakdown, fire, shortages of materials or labour, Government embargoes, refusal or delay in granting export or import licences or permits, inability of sub-contractors, delay in approval of engineered drawings or any other event of whatsoever nature which is beyond the reasonable control of Modern Water.

II. The Purchaser shall provide clear access and space for receiving the goods.

III. Modern Water shall not be responsible for offloading or putting goods into place, unless this is expressly agreed by the parties.

IV. Modern Water shall not be responsible for damage or deterioration in transit unless the Purchaser notifies Modern Water thereof in writing within 10 working days of delivery.

- b) If Modern Water does not, within ten (10) working days after the date of notification that they are ready for despatch, receive what it considers to be sufficiently precise forwarding instructions to despatch the goods, then the Purchaser shall accept delivery when tendered by Modern Water at a date and time of its choosing or arrange storage. Modern Water shall be entitled to arrange storage on the Purchaser's behalf and the Purchaser undertakes to pay for all reasonable charges made for such storage, for insurance and delivery which Modern Water invoices to the Purchaser.

14 Purchaser's Site, Licences and Installation

- a) The Purchaser hereby warrants that it has provided or will provide in good time Modern Water with all available information regarding the Purchaser's site, structures, facilities, buildings and land (together or individually the "site") and that it will provide all licences and permits required.
- b) Where Modern Water obtains any knowledge of the site or other site on which the goods are to be installed, then such knowledge shall not mean that Modern Water thereby has knowledge of all factors affecting its services, goods. The Purchaser shall be responsible for the site's condition to ensure an adequate environment for the services, goods and indemnifies Modern Water with regard to any risks, contingencies and other circumstances which may affect the site, including, without limitation, any contaminated or hazardous substances.

15 Additional charges

Modern Water may make and, if made, the Purchaser shall pay reasonable costs and charges in addition to the contract price if:

- the presence on site of a representative of Modern Water is required for installation, commissioning or after sales services;
- installation or commissioning is required and this is delayed by reason other than the fault of Modern Water;
- samples are to be taken, analysed or disposed of.
- contaminated materials are uncovered, analysed or disposed of;
- after sales, delivery or any other services are required and for materials used for such purposes; and/or
- any services that are carried outside normal business hours on normal working days.

16 Jurisdiction, Assignment, Entire Agreement

The construction, interpretation and performance of all transactions under the the Order, these Terms and Conditions and any other applicable terms and conditions shall be subject to and construed in accordance with English law, and any dispute arising under or in connection with them shall be subject to the non-exclusive jurisdiction of the English courts.

There shall be no assignment of the rights or obligations contained in this contract by either party and any such assignment shall be null and void.

This contract constitutes the entire understanding between the parties. Any waiver, modification or amendment of this contract shall be effective only if in writing and signed by an authorised representative of Modern Water. Modern Water hereby objects to any prior or subsequent purchase orders, work orders, invoices, acknowledgement forms, manifests and other documents received from the Purchaser that would otherwise have the effect of modifying or abrogating these Terms and Conditions in whole or in part.