
SHM COMMUNICATIONS LTD

General Terms and Conditions

1) Definitions

- a) SHM means SHM Communications Ltd, and shall include its successors and assignees.
- b) SHM Communications may operate under the trading name SHM Metering, and SHM Communications Ltd terms apply.
- c) Client shall mean a person, firm or company to whom SHM supplies products and/or services.
- d) Contract shall mean any agreement between SHM and the Client for supply of products or services.
- e) Products means products supplied by SHM, which may be products manufactured by SHM or products supplied by SHM acting as a reseller of products made by other manufacturers, and may include electronic and other products, computer hardware and software, manuals and documentation.
- f) Services means hardware and software services provided by SHM to a Client and may include consultancy, site survey, project management, systems engineering, configuration and commissioning, installation, maintenance and repair.
- g) Contract Price shall mean the sum named in the contract and is ex-works, and unless specifically mentioned is exclusive of VAT and delivery charges which are payable in addition at rates current at the time of invoice.
- h) Site shall mean the place to which product shall be delivered or at where services shall be conducted, as described in the contract.
- i) Completion means the date of supply of Product or in the case of supply of Services the date at which the Products and Services comprising a completed system are fully operational at the Client's site.

2) Quotation

- a) Any quotation submitted to a client by SHM represents the cost of goods and or services pertaining at SHM's current list prices. Where services are included in a quotation costs are not limited solely to time spent on a client's site. The cost of provision of services is based on a professional assessment of the time required to install and commission on site in addition to the time spent off-site to assess, prepare, pre-commission, and subsequently document such services. Labour costs are based on the appropriate level of staff required to undertake such work and are determined at the sole discretion of SHM.
- b) A quotation normally quotes carriage and travel as separate items. Travel, accommodation and expenses are not included in SHM labour rates and are charged as separate items either as a list standard charge or based on actual costs incurred at the sole discretion of SHM.
- c) The cost of materials fixings containment and the like is normally quoted as an additional item and is subject solely to the estimation of such costs by SHM.
- d) A quotation is the result of proper professional consideration of costs incurred by SHM and is normally non-negotiable, but may be subject to review under particular commercial circumstances, or to reflect a change in the scope of client's requirements.

3) Precedence of Terms

- a) SHM's General Terms and Conditions will in their entirety prevail over those, if any, of the client unless otherwise agreed by SHM.
- b) Where SHM has a particular agreement with a Client for provision of particular services, such Particular Agreement will take precedence to these General Terms and Conditions.
- c) Such particular agreement will apply to the provision of an on-going Engineering Service Agreement, Data Service Agreement, or System Service Agreement.

4) Contract

- a) Any quotation submitted by SHM to the Client shall constitute an offer and shall remain open for a period of 30 days from the quotation date, unless otherwise stated.
- b) Supply of goods and/or services shall be made on acceptance of a Purchase Order delivered

by the client to SHM. SHM is not obligated to make any such supply of goods or services without receipt of a proper Purchase Order.

c) Authority to proceed with an order may be made by the client in forms such as an email instruction, provision of a Purchase Order number, verbal instruction, advancement of payment, and the acceptance of such an authority to proceed is at the discretion of SHM.

d) Placement of an order indicates complete acceptance of these General Terms and Conditions.

e) Any amendment to these terms and conditions shall not apply unless agreed in writing by SHM.

f) Any terms of purchase contained or implied in the Client's order form which are inconsistent with these terms and conditions will not apply unless expressly accepted by SHM.

g) Where equipment or services pertaining to an order are delivered in stages SHM will invoice for such equipment and services as and when supplied, and without further authority from the client.

h) Orders are placed at a net sum which may not be subjected to retention or discount or withheld amounts unless subject to prior agreement by SHM.

5) Site Attendance

a) SHM will attend site at the request and agreement of Client under terms as agreed in this Contract.

b) In the event that it is not possible to proceed with agreed works due to unavailability of access, impossibility of electrical supply disconnection, or other reason not being caused by SHM, the client will, without further instruction to SHM, be responsible for the time and expenses spent attending site for such abortive visit.

c) Where SHM attends site and a fault is identified which is not covered either by the Service Agreement in force or the relevant Quotation, then the client will be responsible without further instruction to SHM for attendance charges associated with the visit.

6) Abortive Visit Charges

a) Any abortive visit will be charged at the appropriate rate prevailing in the SHM price list for the level of staff in attendance. Such charge will be at the minimum rate of one day per staff attending, plus travel expenses as incurred.

7) Cancellation and Return

a) The Client is bound to take delivery and pay for goods once an order has been placed.

b) SHM may at its discretion agree to suspend delivery of goods in which case the client will pay a minimum cancellation charge of 25% of the value of the order.

c) Where goods have already been delivered and the Client wishes to return such goods, those goods may be accepted for return and credit, at the sole discretion of SHM. A minimum cancellation fee of 25% of the invoiced value of the goods applies subject to the goods being returned unused and unmarked and in their original unmarked and undamaged packaging.

8) Liability

a) Any liability for any claims for incidental injury, loss or damage made by the Client arising out of or in connection with any of the products or any act, omission or neglect in the performance of services by SHM or its agents shall be limited to the invoiced value of the contract.

b) SHM shall not be liable for any consequential loss or damage, however caused.

9) Confidentiality

a) SHM and the Client shall keep confidential any information obtained under the contract and shall not divulge any such information without the consent of the other party.

b) The property and copyright in all documents and drawings submitted to the Client will remain the property of SHM.

10) Payment

a) The contract price will be invoiced as detailed in SHM's quotation, the Client's accepted Purchase Order, or SHM's Service Agreement. Where appropriate, invoices may be raised at intervals as stages of the project are completed.

b) In some cases such as high value orders or uncertainty of Client's credit rating SHM will request payment in full or in part prior to delivery of goods and or services.

c) Where services are provided under a signed agreement by SHM on a regular continuing and/or annual basis SHM may invoice the client in advance of the ensuing period of service without requiring the receipt of a purchase order, and such invoice is duly payable by the client.

d) Payment of invoices for Clients with a credit account will be made within 30 days from the

date of invoice.

e) SHM may charge interest on any unpaid balance at a rate of 7.5% above the current HSBC base rate.

11) Title

a) Property in products shall not pass to the Client until paid in full.

b) The Client acknowledges that the supply of product which may include supply of software includes a personal non-transferable and non-exclusive licence to use such software with the product and on any nominated site.

12) Software Licence

a) In the event that software provided by SHM is subject to a yearly or other license the use of that software is restricted to the duration of the license. Such licence is renewable, on notice from SHM in the form of an invoice, sent by SHM without authority or request from the Client, at an appropriate time in advance of the licence renewal date.

13) Default of Payment

a) In the event of default in payment by the Client SHM may without further notice terminate the contract and enter the site and recover any or all products in respect of which full payment has not been made.

14) Delivery and Installation

a) SHM will endeavour to comply with any dates agreed for delivery and/or installation of product and services. Such dates will not be binding upon SHM and any failure to comply with such dates will not constitute a breach of contract.

b) The Client will not be entitled to delay delivery of product or services other than with the written agreement of SHM who is not obligated so to do.

c) If the contract does not state any date for delivery the Client will accept such products or services as are mentioned when they are ready for operation or delivery.

15) Inspection, Testing and Completion

a) SHM will ensure that all inspection and/or testing of product is completed prior to despatch or at the site as required by the Contract.

b) When the product has been delivered to the site and installed in accordance with the Contract the system comprising the products, interconnected and configured as appropriate, will be left in a fully operational condition and appropriate reports commissioning records, certificates and manuals, will be delivered to the Client. Such a fully operational and documented system is considered at a state of completion at which point the Client will be invoiced for any Services and any goods remaining un-invoiced as listed in the Contract.

16) Warranty

a) The warranty period shall be 12 months from the date of supply of products, or in the case of supply of Products and Services, the date of completion of work at a Client's site.

b) During the warranty period SHM will use its best endeavours to keep the product operational including repair or replacement at SHM's option of any defective product at no cost to the Client.

c) During the warranty period any repair or replacement will be conducted at the premises of SHM and any defective product will be returned to SHM by the Client. SHM will assist without charge in the identification of such faulty equipment, though any visits to site requested by the Client will be at the Client's expense.

d) The warranty shall be inoperative in the event of, failure of the Client to maintain a suitable operating environment, use of products for purposes other than those for which they were supplied, causing of accidental damage or neglect, failure by the Client to observe proper operating procedures laid down by SHM or other equipment manufacturer, alterations or additions to the product or relocation of the product made without the approval of SHM.

e) The equipment warranty will be invalid if the equipment is operated outside the defined operation range of the equipment as defined in the manufacturer's product specification, operating manual or product data sheet.

17) Client Obligations

a) It is the responsibility of the Client to provide and maintain suitable and adequate environmental and operating conditions for the Product.

b) Any additional costs incurred by SHM due to the Client's failure to prepare or maintain the site suitably or the location at which the Product is to be or is installed or to provide the facilities

reasonably required for SHM to fulfil its duties and obligations under the Contract shall be borne by the Client.

18) Termination

a) Either party shall have the right to terminate the Contract if the other party is in material breach of the Contract and does not rectify this breach within 30 days of receipt of notification thereof.

19) Assignment

a) The Client shall not be entitled to assign the Contract or any part thereof.

20) Sub-Contract

a) SHM may at its sole discretion employ sub-contractors to install and commission equipment. In the event that sub-contractors are employed, SHM will bear the responsibility for such contractors as they would for direct SHM employees.

21) Force Majeure

a) Neither party shall be liable for failure to perform its obligations under the Contract if such failure results from circumstances beyond its control, including but not limited to trade disputes, breakdown of plant, delay by suppliers, lightning strike, fire, theft, riot, war, terrorist action, prohibition of export or import, delays caused by import or export procedures, Force Majeure or Act of God.

22) Notice

a) Any notice to be given hereunder either by the client or by SHM shall be in writing and shall be delivered or sent by post or by facsimile or by email to the relevant party at its principal office or other suitable address.

23) Law

a) These General Terms and Conditions and each and every Contract made pursuant thereto shall be construed and interpreted in accordance with the laws of England.

24) Validity

- a) These General Terms and Conditions are confirmed as agreed by the Client by returning these conditions duly signed. The return of a signed copy is a pre-requisite for opening of a credit account with SHM.
- b) Such signature to these General Terms and Conditions is preferred but is not a pre-requisite for a specific Contract or Purchase Order to be accepted by SHM. The General Terms and Conditions apply so long as the Client has been provided by SHM with a copy of these General Terms and Conditions by email or other means prior to or following an instruction from the Client to proceed and apply as if they have been signed by the Client.



25) Please sign these General Terms and Conditions and return to SHM Communications Ltd

I have read, understood, and agree to, SHM's General Terms and Conditions

Name:

Company:

Signature:

Date:

Position:

Signature and return of this document confirm complete acceptance of these General Terms and Conditions as being in full effect between you the Client and SHM the Supplier.