



# Terms and Conditions of Sale

## 1. Definitions

In these Conditions:

“**Seller**” means **Key Precision Ltd**, registered company 05069607 in England and Wales.

“**Buyer**” means the person, firm, or company purchasing Goods or machining services from the Seller.

“**Goods**” means machined components, assemblies, or related products supplied by the Seller.

“**Services**” includes CNC machining, turning, milling, finishing, inspection, or any subcontract engineering work performed by the Seller.

“**Contract**” means the agreement between Buyer and Seller for the supply of Goods and/or Services.

“**Order**” means the Buyer’s request, whether verbal, written, or digital.

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## 2. Formation of Contract

2.1 All Orders are subject to acceptance by Key Precision Ltd. No Contract exists until confirmed in writing.

2.2 These Conditions apply to all quotations, Orders, and supplies by the Seller and override any Buyer terms unless expressly agreed in writing.

2.3 Quotations are valid for **7 days**, assuming stable material and energy costs.

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## 3. Technical Information & Drawings

3.1 The Buyer is responsible for ensuring all drawings, CAD files, models, tolerances, specifications, and material grades supplied are accurate, complete, and current.

3.2 Unless otherwise agreed, the Seller will manufacture strictly in accordance with the Buyer-supplied documentation.

3.3 If discrepancies exist between drawings and models, the 2D drawing takes precedence unless agreed otherwise.

3.4 Any manufacturing advice provided by the Seller is given in good faith but remains the Buyer’s responsibility to approve.

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## 4. Prices

4.1 Prices stated are based on the specification, batch size, and material assumptions provided at the quotation stage.

4.2 Prices exclude VAT, delivery, packaging, inspection reports beyond standard FAIRs, special jigs, and subcontracted finishing unless agreed in writing.

4.3 Prices may be adjusted if:

- material costs increase before Order confirmation,
- the Buyer alters the specification,
- supplied drawings are revised,
- batch quantities change from the original quotation.

4.4 We reserve the right to increase prices during a contract.

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## 5. Payment Terms

5.1 Payment terms are **30 days from the invoice date**, unless otherwise agreed.

5.2 Time for payment is of the essence.

5.3 Late payments may incur interest at **8% above the Bank of England base rate** under the Late Payment of Commercial Debts (Interest) Act 1998.

5.4 The Seller may suspend production or delivery if invoices remain unpaid.

5.5 The Seller reserves the right, in the event of the Buyer not complying with the agreed provisions as to the payment, to suspend work upon the Contract until the agreed terms of payment have been fully complied with by the Buyer to the Seller's satisfaction. In the event of such suspension of work the Buyer shall have no claim against the Seller for late delivery or late completion of the contract and further more the Seller shall be entitled to charge the Buyer the cost of waiting time and any other expenses incurred as a direct result of the suspension of work or for the breach of non-observance by the Buyer of the conditions as to payment herein set out.

5.6 The Seller has the right to recover any costs of collecting overdue debts from the Buyer.

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## 6. Delivery

6.1 Delivery times are estimated and not guaranteed. CNC machining is subject to material supply constraints, machine availability, tool life, and complex programming requirements.

6.2 Delivery occurs when Goods leave the Seller's premises unless otherwise agreed.

6.3 Key Precision Ltd is not liable for delays caused by material shortages, supplier delays, breakdowns, or force majeure circumstances.

6.4 The Buyer must inspect Goods upon receipt and notify the Seller of any shortages or visible defects within **3 working days**.

6.5 Key Precision reserve the right to over/under deliver by +/-10% of quantity of goods.

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## 7. Risk and Title

7.1 Title to the Goods shall not pass to the Buyer until **Key Precision Ltd** ("the Seller") has received payment in full for:

- the Goods supplied under the Contract; and
- any other sums due or becoming due from the Buyer to the Seller, whether relating to this Contract or any other contract.

7.2 Until title passes, the Buyer shall:

- a) hold the Goods as **bailee** for the Seller;
- b) store the Goods separately and clearly marked as the Seller's property;
- c) ensure the Goods are kept in good condition and insured for their full replacement value; and
- d) not remove, deface, or obscure any identifying marks or packaging.

7.3 The Buyer may **resell or use** the Goods in the ordinary course of business before title has passed, provided that:

- a) such resale is made **on behalf of the Seller** as fiduciary;
- b) the Buyer shall hold the proceeds of sale (whether tangible or intangible) **on trust** for the Seller; and
- c) such proceeds shall be kept separate from the Buyer's own funds.

7.4 If the Buyer manufactures or incorporates the Goods into other products, **title in the resulting items ("New Goods") shall vest in the Seller** until the Buyer has made full payment for the original Goods and all other outstanding sums.

The Buyer shall hold such New Goods as bailee for the Seller.

7.5 The Seller may at any time, while sums remain unpaid and title has not passed:

- a) require the Buyer to **deliver up** all Goods or New Goods in its possession;
- b) **enter any premises** of the Buyer (or a third party where the Goods are stored) to inspect, identify, and/or repossess the Goods or New Goods; and
- c) suspend further deliveries or services without liability.

7.6 The Buyer's rights to use or resell the Goods automatically terminate if:

- the Buyer becomes insolvent, enters administration, liquidation, or any voluntary arrangement;
- the Buyer fails to pay any amount due to the Seller;
- the Buyer ceases or threatens to cease trading.

7.7 The Buyer shall ensure that any third party to whom the Goods or New Goods are supplied is notified of the Seller's retention of title.

7.8 Nothing in this clause shall affect the passing of **risk**, which transfers to the Buyer upon dispatch from the Seller's premises, unless otherwise agreed.

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## 8. Inspection, Tolerances & Quality

8.1 Goods will be supplied to the tolerances specified on the Buyer's drawings. If no tolerance is stated, BS 8888 / ISO 2768 (medium) standards apply.

8.2 Dimensional, cosmetic, and geometric tolerances must be clearly specified by the Buyer.

8.3 First Article Inspection Reports (FAIRs) or full PPAP documentation will be supplied only if agreed in advance and may incur additional cost.

8.4 Minor surface marks inherent to CNC machining, workholding, and deburring processes do not constitute defects unless the Buyer has expressly specified a cosmetic requirement.

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## 9. Warranty & Defects

9.1 The Seller warrants that Goods will conform to the agreed specification at the time of delivery.

9.2 No warranty is offered.

9.3 The Seller's liability for defective Goods is limited to repair, replacement, or refund at the Seller's discretion.

9.4 The Seller is not liable for defects arising from:

- misuse, improper installation, or use in unsuitable environments,
- welding, heat treatment, or finishing processes applied by third parties,
- Buyer-supplied materials or faulty drawings,
- use of Goods outside their designed application.

9.5 The Buyer must notify defects in writing within **7 days** of discovery.

9.6 No Guarantee or Warranty in respect of the goods is given by the Seller whether as to condition, suitability for use or otherwise. The Buyer shall be deemed to purchase with full knowledge of the condition and suitability of the goods, such goods however shall be of merchantable quality unless otherwise specified by the Seller.

## **10. Tooling, Fixtures & Programming**

10.1 Tooling, fixtures, jigs, CNC programs, and machining strategies created by the Seller remain the property of Key Precision Ltd unless purchased separately by the Buyer.

10.2 Tooling charges quoted do not grant the Buyer ownership of programs or machining methods.

10.3 The Seller retains all intellectual property rights relating to manufacturing processes.

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## **11. Buyer-Supplied Materials**

11.1 If the Buyer provides free-issue materials, castings, or components, they must meet the agreed specification.

11.2 The Seller accepts no liability for defects or failures caused by:

- inherent defects in supplied material,
- casting voids, inclusions, porosity, or chemical inconsistencies.

11.3 Scrap, machine time, and tooling costs caused by defective free-issue material shall be charged to the Buyer.

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## **12. Cancellation**

12.1 Orders cannot be cancelled without written agreement from Key Precision Ltd.

12.2 If cancellation is accepted, the Buyer is liable for all costs incurred to date, including:

- material purchased,
  - tooling,
  - machining time,
  - programming,
  - administration.
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## **13. Liability**

13.1 Nothing limits liability for death or personal injury caused by negligence, fraud, or any liability that cannot legally be excluded.

13.2 The Seller shall not be liable for:

- loss of profit or business,
- downtime or production delays,
- tool breakage or scrap arising from poor material quality,
- consequential or indirect losses.

13.3 The Seller's total liability shall not exceed the Contract price of the Goods in question.

13.4 Key Precision Ltd will not pay for any sorting charges or line stop charges.

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## 14. Force Majeure

Key Precision Ltd is not liable for delays or failures arising from events beyond its control including, but not limited to:

- material shortages,
  - supplier delays,
  - machine breakdown,
  - labour shortages,
  - fire, flood, natural disasters,
  - transportation issues,
  - government restrictions.
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## 15. Confidentiality

15.1 Both parties shall treat all drawings, models, quotations, and technical information as confidential.

15.2 This obligation continues after completion or termination of the Contract.

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## 16. Termination

16.1 The Seller may terminate the Contract immediately if the Buyer:

- becomes insolvent, bankrupt, or enters administration,
- fails to pay invoices on time,
- breaches material obligations under these Conditions.

16.2 Termination does not affect rights accrued before termination.

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## 17. Governing Law & Jurisdiction

These Conditions are governed by the laws of **England and Wales**, and disputes shall be resolved exclusively in the **courts of England and Wales**.

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