

Conditions for the Purchase of Goods and/or the Supply of Services

Interpretation

1.1 In these terms:

'Contract' means the contract for the sale and purchase of the Goods and/or the supply and acquisition of the Services;

'Delivery Address' means the address stated on the Order;

'Goods' means the goods materials plant and/or equipment (including any instalment of them or any part of them) described in the Order and includes (where applicable) any such Goods supplied by the Supplier in the provision of Services to the Purchaser;

'Order' means the Purchaser's purchase order to which these Terms are annexed;

'Price' means the price of the Goods and/or the charge for the Services;

'Principal Contract' means (where applicable) the contract, whether in Writing or otherwise, between the Principal Contractor and the Purchaser (including all documents incorporated into such contract by reference and all other contracts and documents which are supplemental thereto or collateral therewith and all variations thereto) to which the Order relates;

'Principal Contractor' means (where applicable) the person firm or company by whom the Purchaser is engaged under the Principal Contract, whether named as client, employer or main contractor or as a superior sub-contractor or otherwise;

'Purchaser' means Booth Industries International Ltd, registered in England under number 13371731;

'Services' means the services (if any) described in the Order and includes (where applicable) the transportation, delivery, storage, installation of Goods by the Supplier;

'Specification' includes any plans, drawings, programmes, data or other information relating to the Goods or Services;

'Supplier' means the person, firm or company so described in the Order;

'Terms' means the standard terms of purchase set out in this document and (unless the context otherwise requires) includes any special terms agreed in Writing between the Purchaser and the Supplier.

1.2 In these Terms 'Writing', and any similar expression, includes facsimile transmission, email and comparable means of communication.

1.3 Any reference in these Terms to a statute or a provision of a statute shall be construed as a reference to that statute or provision as amended, re-enacted or extended at the relevant time.

1.4 The headings in these Terms are for convenience only and shall not affect their interpretation

Basis of Contract

2.1 The Supplier shall sell the Goods and/or supply the Services in accordance with the Supplier's Written quotation (as accepted by the Purchaser and subject to such conditions as the Purchaser may impose) or the Purchaser's Order (as unconditionally accepted by the Supplier) subject in either case to these Terms.

2.2 These Terms shall apply to the Contract to the exclusion of any other terms on which any quotation has been given to the Purchaser or subject to which the Order is accepted or purported to be accepted by the Supplier.

2.3 No variation to the Order or these Terms shall be binding unless agreed in Writing between the authorised representatives of the Purchaser and the Supplier.

2.4 If the Goods are to be delivered, or the Services are to be performed, by instalments, the Contract will be treated as a single contract and not severable.

Provisions relating to Order and ancillary documents

3.1 All correspondence between the Supplier and the Purchaser relating to the Order or the Contract and all other documents ancillary thereto (including, without limitation, delivery notes, advice notes, invoices, labels and shipping specifications) must state the relevant Order number and any contract and/or item number applied thereto by the Purchaser.

3.2 The Supplier shall ensure that all documents specified in the Order or otherwise required by the Contract to be delivered to the Purchaser are so delivered in the correct form, on time and complete in all respects.

3.3 Notwithstanding the terms of condition 10.2 below, the Purchaser shall not be bound to pay the Price unless and until all documentation required to be delivered pursuant to condition 3.2 above has been so delivered in accordance with its terms.

Principal Contract

4.1 Where the Order is placed and the Contract entered into by the Purchaser in furtherance of the performance of its obligations under a Principal Contract, the terms of the Principal Contract shall so far as they may be applicable in respect of the Order apply to the Contract.

4.2 The Purchaser shall on demand produce to or make available for inspection by the Supplier a copy of the Principal Contract (and all documents varying the terms thereof) or (at the option of the Purchaser) evidence of the terms of the Principal Contract in so far as they may be applicable to the Contract.

4.3 Having been afforded the opportunity to inspect the Principal Contract the Supplier shall be deemed to enter the Contract in full knowledge of the provisions of the Principal Contract and shall raise no objection thereto.

4.4 The Supplier must not do, omit, suffer or permit in relation to the Contract any act or thing that would or might cause the Purchaser to be in breach of the Principal Contract, or that if done, omitted, suffered or permitted by the Purchaser would or might constitute a breach of the obligations on the part of the Purchaser and the conditions contained in the Principal Contract.

4.5 The Supplier must indemnify the Purchaser from and against any actions, proceedings, claims, damages, costs, expenses or losses arising from any breach, non-observance or non-performance of its obligations under condition 4.4 above.

4.6 The Supplier must maintain insurance cover with a reputable insurance company against the same risks and the same limit of indemnity in respect of each and every claim and for the same duration as is required to be maintained by the Purchaser under the Principal Contract to cover any claims made against the Supplier in relation to its obligations under the Contract and/or under the indemnity given in condition 4.5 above and/or any other negligent act or omission or breach of duty.

4.7 As and when reasonably required by the Purchaser the Supplier shall produce for inspection satisfactory documentary evidence that the insurance referred to in condition 4.6 is being properly maintained and confirm that payment has been made in respect of the last preceding premium due under it. If the Supplier fails to supply the relevant evidence, the Purchaser shall be at liberty to effect such insurance cover as it deems to be requisite and to recover the cost from the Supplier on demand.

Specifications

5.1 The Goods shall be of the best quality in all respects and the quantity and description of the Goods and the Services shall, subject as provided in these Terms, be as specified in the Order and/or in any applicable Specification supplied by the Purchaser to the Supplier or agreed in Writing by the Purchaser.

5.2 No variation to the Specification shall be binding unless agreed in Writing between the authorised representatives of the Purchaser and the Supplier.

5.3 The Purchaser's agreement to any applicable Specification supplied to the Purchaser by the Supplier or to any variation of the Specification proposed by the Supplier shall not limit or in any way affect the Suppliers liability in respect of any defect in the Goods arising from the Specification.

5.4 Any Specification supplied by the Purchaser to the Supplier, or specifically produced by the Supplier for the Purchaser, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of the Purchaser, and the Supplier assigns with full title guarantee to the Purchaser all such copyright, design rights and other intellectual property for no further consideration, subject only to the payment of the Price. The Supplier shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Supplier, or as required for the purpose of the Contract.

Inspection and Testing

6.1 Before despatching the Goods, the Supplier shall carefully inspect and test them to ensure that they comply with any applicable Specification, regulation or other legal requirement. Not less than seven days prior to the Supplier undertaking such inspection and testing the Supplier shall give notice of its intention to do so and if so required by the Purchaser such inspection and testing shall be carried out in the presence of a representative of the Purchaser.

6.2 The Supplier shall not unreasonably refuse any request by the Purchaser to inspect and test the Goods during manufacture, processing or storage at the premises of the Supplier or any third party prior to despatch, and the Supplier shall provide the Purchaser with all facilities reasonably required for inspection and testing.

6.3 The Supplier shall produce to the Purchaser on demand true and accurate copies (certified to be such) of all test certificates and reports prepared by it in relation to the Goods.

6.4 If as a result of inspection or testing the Purchaser is not satisfied that the Goods will comply in all respects with the Contract, and the Purchaser so informs the Supplier within seven days of inspection or testing the Supplier shall take such steps as are necessary to ensure compliance.

6.5 The Supplier shall not deliver the Goods unless and until inspection tests have been satisfactorily completed or have been waived in Writing by the Purchaser.

Compliance with regulations, standards and requirements of the Purchaser

7.1 The Supplier shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods and the performance of the Services, including, without limitation, promptly obtaining all necessary export licences, clearances and other consents necessary for the supply and delivery of the Goods and/or the performance of the Services.

7.2 The Supplier shall ensure that the Goods and Services are supplied in compliance with all applicable standards for quality (including BS EN ISO 9000) and safety, whether imposed or required by the British Standards Institute the International Standards Organisation or otherwise.

7.3 The Supplier shall and shall ensure that its employees, agents and contractors comply with all instructions and requirements of the Purchaser and the terms of the Principal Contract in relation to the delivery to and (where applicable) the installation of the Goods at the Delivery Address and the performance of the Services including (without limitation) those relating to health and safety on site, operation and use of plant machinery and equipment, use of facilities and other attendance provided by the Purchaser and others, time keeping and the completion of and delivery of time sheets to the Purchaser.

Materials equipment and other goods supplied by Purchaser to Supplier

8.1 Where in connection with the Contract the Purchaser supplies or delivers into the 'possession and control of the Supplier materials equipment or other goods ('Purchaser's Property'), whether belonging to the Purchaser, the Principal Contractor or otherwise, the following provisions of this condition 8 shall apply.

8.2 Risk in the Purchaser's Property shall pass to the Supplier upon delivery to the Supplier.

8.3 At all times, title to the Purchaser's Property shall (as between the Purchaser and the Supplier (and any person claiming title through the Supplier)) remain with Purchaser.

8.4 The Supplier shall hold the Purchaser's Property as the Purchaser's fiduciary agent and bailee, and shall keep the Purchaser's Property separate from that of the Supplier and third parties and properly stored, protected and insured and identified as the Purchaser's property.

8.5 The Purchaser shall be entitled at any time to require the Supplier to deliver up the Purchaser's Property to the Purchaser and, if the Supplier fails to do so forthwith, to enter upon any premises of the Supplier or any third party where the Purchaser's Property is stored and repossess the Purchaser's Property.

8.6 The Supplier shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Purchaser's Property.

8.7 Except in the proper performance of its obligations under the Contract the Supplier shall not sell or use the Purchaser's Property without the prior consent of the Purchaser in Writing, but in the event that the Supplier does so (whether or not it shall be in breach of the Contract) the Supplier shall account to the Purchaser for the proceeds of sale or otherwise of the Purchaser's Property, whether tangible or intangible, including insurance proceeds, and shall keep all such proceeds separate from any moneys or property of the Supplier and third parties and, in the case of tangible proceeds, properly stored, protected and insured.

8.8 The Supplier shall not be entitled to any lien on the Purchaser's Property whether in relation to the Price or other sums due to the Supplier from the Purchaser under the Contract or any other contract and to the extent that the Supplier may be entitled to claim a lien whether under the general law or otherwise in relation to the Purchaser's Property, the Supplier by entering into the Contract and accepting the Purchaser's Property into its possession and control irrevocably waives any such lien to which it may (but for this provision) have been entitled.

Price of the goods and services

9.1 The price of goods and the services shall be stated in the Order and, unless otherwise so stated, shall be:

9.1.1 exclusive of any applicable value added tax (which shall be payable by the Purchaser subject to receipt of a VAT invoice);

9.1.2 Inclusive of all charges for packaging, packing, shipping, carriage, insurance, and delivery of the Goods to the Delivery Address and any duties, imports or levies other than value added tax.

9.2 No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Purchaser in Writing.

9.3 The Purchaser shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Supplier, whether or not shown on its own terms of sale.

Terms of payment

10.1 The Supplier must invoice the Purchaser on despatch of the Goods or performance of the Services, as the case may be, and each invoice shall quote the number of the Order. Without prejudice to the foregoing, invoices must be received by the Purchaser within 10 days of the end of the month in which the

Goods or Services to which they relate are despatched or performed otherwise they will be deemed to relate to Goods or Services despatched or performed in the following month.

10.2 Unless otherwise stated in the Order, the Purchaser shall pay the price of the Goods and the Services within 45 days after the end of the month of acceptance of the Goods or Services in question by the Purchaser or receipt by the Purchaser of a proper invoice (which satisfies the provisions of this condition 10) if later.

10.3 Every invoice must be addressed to the Purchaser and must relate to a single order only, state the Purchasers relevant order number and show clearly whether it relates to the whole of that order, a part of that order or the balance of that order.

10.4 The Supplier shall provide to the Purchaser a monthly statement detailing all invoices submitted by the Supplier to the Purchaser and all payments, credits or other variations made in relation thereto whether under the Contract or otherwise. Failure to provide a monthly statement may result in payment of the Suppliers invoices being delayed.

10.5 The Purchaser shall be entitled to set off against any sums due to the Supplier whether under the Contract or otherwise any lawful set-off or counterclaim to which the Purchaser may at any time be entitled

Packaging and marking of Goods

11.1 The Goods and any packaging shall be marked in accordance with the Purchaser's instructions (including, without limitation, as to shipping marks and colour bands) and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

11.2 Invoices and shipping specifications must be clearly marked with the country of origin of the Goods.

11.3 All packaging, packing cases and containers must contain the same goods as are detailed in the shipping specification.

11.4 The Supplier shall be liable to pay and indemnify the Purchaser against any customs fines duties or imposts incurred as a result of the Supplier's failure to ensure that the foregoing provisions of this condition are fully complied with.

Delivery

12.1 The Goods shall be delivered to, and (where applicable or appropriate in the context of the Contract) the Services shall be performed at, the Delivery Address on the date or within the period stated in the Order.

12.2 Where the date of delivery of the Goods or of performance of the Services is to be specified after the placing of the Order, the Supplier shall deliver the Goods and/or supply the Services on such date or within such period as the Purchaser shall reasonably require, in accordance with the agreed programme.

12.3 The Supplier shall supply the Purchaser in good time with any instructions or other information required to enable the Purchaser to accept delivery of the Goods and performance of the Services.

12.4 A packing/advice note quoting the number of the Order must accompany each delivery or consignment of the Goods and must be displayed prominently. Further copies of each such packing/advice note shall be sent under separate cover to the Delivery Address and also to the Purchaser at its office at Nelson Street, Bolton BL3 2AP

12.5 The Purchaser shall not be obliged to return to the Supplier any packaging or packing materials for the Goods, whether or not any Goods are accepted by the Purchaser.

12.6 If for any reason the Purchaser or the Principal Contractor is unable to take delivery of the Goods (or any goods to be delivered in the course of the provision of the Services) at the time delivery of the same is tendered by the Supplier, the Supplier shall immediately arrange for the Goods to be securely stored and insured and shall take all reasonable steps necessary to prevent their deterioration until actual delivery and (save where the inability to take delivery arises from the Supplier's default) the Purchaser shall be liable to the Supplier for the reasonable costs of so doing.

13. Time of performance

The time of delivery of the Goods and of performance of the Services is of the essence of the Contract.

Rejection

The Purchaser may reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Purchaser has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent.

Transport and Shipping

15.1 Where in connection with the Contract the Supplier is responsible for the carriage of goods (including, where the context so admits, the Goods) or any other load or cargo ('the Cargo') for or on behalf of the Purchaser, whether such goods belong to the Purchaser, the Principal Contractor or otherwise, the following provisions of this condition 15 shall apply.

15.2 Where the Cargo is to be carried by sea the Supplier shall promptly tender to the Purchaser as the Cargo is loaded on board a clean shipped bill of lading, the insurance policy and (where applicable) an invoice in respect of the Goods.

15.3 The Supplier shall:

15.3.1 take delivery of the Cargo when it is tendered for carriage by or on behalf of the Purchaser;

15.3.2 deliver the Cargo (or shall cause the Cargo to be delivered) to the Purchaser (or as it shall direct) at the Delivery Address on the Delivery Date

15.3.3 procure any necessary contract of carriage and insure the Cargo from dispatch until delivery for the benefit of the Purchaser (or as it shall direct) in each case at the best rates reasonably obtainable and otherwise on terms approved by the Purchaser;

15.3.4 observe perform and comply with the Purchaser's directions as to the handling, storage, transportation and delivery of the Cargo;

15.3.5 ensure that any vessel, vehicle or aircraft to be used in the carriage of the Cargo is in good condition and is suitable in all respects for the carriage of the Cargo to the Delivery Address on or before the Delivery Date;

15.3.6 ensure that all documents required by the Purchaser are obtained by the Supplier and delivered to the Purchaser in the correct form, on time and complete in all respects;

15.3.7 if so required by the Purchaser to collect from the person firm or company to whom or for whose account the Cargo is to be delivered any duties, charges or other expenses for which they are liable and to pay, apply or account to the Purchaser for all such monies as the Purchaser shall direct; and,

15.3.8 disclose to the Purchaser on demand full details of any brokerage fee, commission, allowance or other remuneration arising from the performance of its obligations under the Contract to which it may be or become entitled.

Risk and Property

16.1 Risk of damage to or loss of the Goods shall pass to the Purchaser on delivery to the Purchaser in accordance with the Contract.

16.2 The property in the Goods shall pass to the Purchaser on delivery, unless payment for the Goods is made prior to delivery, when it shall pass to the Purchaser once payment has been made and the Goods have been appropriated to the Contract.

Damage or loss in transit

17.1 The Supplier shall repair or replace free of charge Goods damaged or lost in transit and due delivery of the Goods shall not be deemed to have taken place until replacement or repaired goods have been delivered by the Supplier to the Purchaser. The Purchaser reserves the right to hold such damaged Goods at the Supplier's risk or to return them at the risk and expense of the Supplier.

17.2 The Supplier shall insure the Goods from dispatch until delivery on terms current in the trade for the benefit of the Purchaser.

Warranties and liability

18.1 The Supplier warrants to the Purchaser that the Goods (when delivered/installed as the case may be):

18.1.1 will be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Supplier or made known to the Supplier in Writing at the time the Order is placed;

18.1.2 will be free from defects in design, material and workmanship;

18.1.3 will correspond with any relevant Specification or sample; and

18.1.4 will comply with all statutory requirements and regulations relating to the sale of the Goods.

18.2 The Supplier further warrants that the Goods (including any repaired or replacement Goods) will be free from defects in materials and workmanship for a period of 12 months from the date of their initial use or 18 months from delivery, whichever is the first to expire.

18.3 The Supplier warrants to the Purchaser that the Services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for the Purchaser to expect in all the circumstances.

18.4 Without limiting any other remedy, if any Goods or Services are not supplied or performed in accordance with the Contract, then the Purchaser shall be entitled:

18.4.1 to require the Supplier to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within seven days; or

18.4.2 at the Purchaser's sole option, and whether or not the Purchaser has previously required the Supplier to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as discharged by the Supplier's breach and require the repayment of any part of the Price which has been paid.

18.5 If it is necessary to open up or dismantle any other works or assemblies to permit any repair or replacement of defective Goods or the re-supply of substandard Services then the Supplier shall bear the cost of such opening up or dismantling and of re-assembly and making good after repairs, replacements and testing of such Goods have been completed and/or such Services have been re-supplied to the Purchaser's reasonable satisfaction.

18.6 The Supplier shall indemnify the Purchaser in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Purchaser as a result of or in connection with:

18.6.1 breach of any warranty given by the Supplier in relation to the Goods or the Services;

18.6.2 any claim that the Goods or the Services or anything supplied by the Supplier in the provision of the Services infringe, or their importation, use or resale, infringes, the patent, copyright, design right, trade mark or other intellectual property rights of any other person, except to the extent that the claim arises from compliance with any Specification supplied by the Purchaser;

18.6.3 any claim by the Principal Contractor or other customers of the Purchaser and their sub-buyers arising out of any breach, non-performance or non-observance whatsoever by the Supplier of its obligations under the Contract;

18.6.4 any liability under the Consumer Protection Act 1987 in respect of the Goods;

18.6.5 any act or omission of the Supplier or its employees, agents or sub-contractors in supplying, delivering and installing the Goods; and

18.6.6 any act or omission of any of the Supplier's personnel in connection with the performance of the Services.

18.7 The Purchaser shall not be liable to the Supplier or be deemed to be in breach of the Contract by reason of any delay in relation to the Goods or the Services, if and to the extent that the delay or failure is beyond the Purchaser's reasonable control.

Cancellation

The Purchaser may cancel the Order in respect of all or part only of the Goods and/or the Services by giving notice to the Supplier at any time prior to delivery or performance, in which event the Purchaser's sole liability shall be to pay to the Supplier the Price for the Goods or Services in respect of which the Purchaser has exercised its right of cancellation less the Supplier's net saving of cost arising from cancellation.

Termination

20.1 The Purchaser may terminate the Contract without liability to the Supplier by giving notice to the Supplier at any time if the Supplier breaches the terms of the Contract and/or poor performance. In the case of a breach capable of remedy but fails to remedy the breach within seven days of being required to do so by the Purchaser in Writing.

20.2 The Purchaser may terminate the Contract without liability to the Supplier by giving notice to the Supplier at any time if:

20.2.1 the Supplier makes any voluntary arrangement with its creditors (within the meaning of Insolvency Act 1986 (as amended) or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than the purpose of amalgamation or reconstruction); or

20.2.2 an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Supplier; or

20.2.3 the Supplier ceases, or threatens to cease, to carry on business;

20.2.4 the Purchaser reasonably apprehends that any of the events mentioned above is about to occur in relation to the Supplier and notifies the Supplier accordingly.

Resolution of Disputes in relation to Construction Contracts

Where the Contract is governed by the provisions of the Housing Grants, Construction and Regeneration Act 1996 no dispute capable of referral to adjudication shall be deemed to have arisen between the parties in to any matter unless and until either party has given notice to the other specifying the matters complained of and nominating a date and time (being during normal working hours and not less than two nor more than five working days after the date of the notice) at which a senior representative of the complaining party with authority to reach agreement as to the matters complained of will be available to meet with a similar representative of the other party on site (or at

such other place as the parties may agree) and either that meeting has taken place without the matters complained of being resolved or the other party has failed to attend.

Publicity

The Supplier may not describe, illustrate, or refer to the Goods or to the existence or terms of the Contract without the prior consent of the Purchaser in Writing.

Confidential Information

Any information disclosed by the Purchaser to the Supplier shall be treated as confidential and the Supplier shall not disclose it to any other person without the prior consent of the Purchaser in Writing nor make any use of such information for any purpose other than for the proper performance of its obligations under the Contract.

General

24.1 The Order is personal to the Supplier and the Supplier shall not assign or transfer or purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the Contract.

24.1.1 no works, processes or services which are essential to the provision of the Goods or Services defined by the Contract shall be sub-contracted to third parties by the Supplier without prior written consent from the Purchaser. In the event that such consent is granted, no waiver of clause 24.1 is implied.

24.2 A notice required or permitted to be given by either party to the other under these Terms shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified under this provision to the party giving the notice.

24.3 No waiver by the Purchaser of any breach of the Contract by the Supplier shall be considered as a waiver of any subsequent breach of the same or any other provision.

24.4 If any provision of these Terms is held by any court or other competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Terms and the remainder of the provision in question shall not be affected.

24.5 A person who is not a party to the Contract shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that act.

24.6 The Contract shall be governed by the laws of England, and the Supplier agrees to submit to the non-exclusive jurisdiction of the English courts.

Booth Industries International Ltd, PO Box 50, Nelson Street, Bolton, BL3 2AP