

TEFLOTURN LIMITED (THE COMPANY) CONDITIONS OF SALE

1. APPLICATION

Unless otherwise specifically agreed in writing these conditions shall be incorporated by every offer, quotation, acceptance and contract for the sale or supply of goods by the company and any conditions proposed by the Customer are hereby excluded.

2. ACCEPTANCE

All quotations are given subject to confirmation by the Company upon receipt of the Customer's order and no contract shall be concluded until such confirmation is given or the Customer's order is otherwise accepted. Each order when accepted constitutes a separate contract in that;

(i) any order cancelled by the customer for whatever reason after acceptance by the Company shall be liable to a charge for any costs incurred for materials, tooling etc.

3. PRICES

(a) Prices quoted are exclusive of VAT (unless otherwise stated) and are those in force at the date of the quotation. The price will remain firm for the period specified in the quotation or for such other period as may be notified by the Company to the Customer in writing. Prices may be varied after a contract has become binding if:

(i) there has been after the date of such contract an increase in the cost to the Company of goods raw materials or labour; or
(ii) there has been a manifest error in or omission from such prices.

(b) If prices are varied after a contract has become binding, the Company shall give the Customer written notice of such variation ("the Notice") and on receipt of the notice, the Customer may cancel his order. In a case where goods are to be delivered or supplied in instalments, the Customer may cancel only that part of the order which relates to the undelivered goods or the unsupplied goods. If the order is not cancelled, the Customer shall be bound to pay the increased or varied price in respect of the goods delivered or supplied after the notice is received. To be effective, cancellations must be in writing and must be received by the Company within three working days of the date of the Notice.

4. DELIVERY

(a) Delivery dates or periods are only best estimates and the company is not liable for the consequences of any delay.

(b) Any delivery period begins on the date of the Company's acceptance of the Customer's order as required by Condition 2 hereof or (if later when the Company receives from the Customer any further information which it may require to proceed with the contract. The Customer agrees to supply such information promptly and to accept the goods within the delivery schedule or timetable specified in the contract and to give necessary instructions for delivery accordingly.

(c) Goods supplied by the Company shall be and thereafter remain at the Customer's risk when the goods shall

(i) leave the Company's premises; or

(ii) where the goods are to be collected by the Customer, when the same shall have been appropriated to the Customer at the Company's premises and the Customer shall be notified accordingly.

For the avoidance of doubt goods in transit shall be at the Customer's risk.

5. RETENTION OF TITLE

Until full payment has been received by the Company for all goods whatsoever supplied (including goods supplied under any other contract with the Company) at any time by the Company to the Customer then the following shall apply

(I) Title in the goods shall remain in the Company

(II) until title passes the Customer shall hold the goods only as a bailee for the Company and shall store or mark them so that they can be identified as the property of the Company;

(III) subject to (iv) and (v) below the Customer shall be at liberty to sell the goods in the ordinary course of his business on the basis that until title passes the entire proceeds of sale of the goods shall not be mingled with other monies or paid into an overdrawn bank account and shall at all times be identifiable as the Company's money but the Customer shall have no authority to enter into any contract of sale on behalf of the Company and any contract of sale shall accordingly be concluded in the name of the Customer;

(IV) the Company may at any time revoke the Customer's power of sale by notice to the Customer if the Customer is in default for longer than seven days in the payment of any sum whatsoever due to the Company (whether in respect of the goods or any other goods supplied at any time by the Company to the customer or for any other reason whatsoever) or if the Company has bona fide doubts as to the solvency of the Customer.

(V) the Customer's power of sale shall automatically cease if a Receiver is appointed over any of the assets or the undertaking of the Customer or a winding up order or administration order is made against the Customer or the Customer goes into voluntary liquidation (otherwise than for the purpose of solvent reconstruction or amalgamation) or calls a meeting of or makes any arrangement or composition with creditors or commits any act of bankruptcy;

(VI) upon determination of the Customer's power of sale under (iv) and (v) above the Customer shall place the goods and new products incorporating the goods or any of them at the disposal of the company who shall be entitled to enter upon any premises of the Customer for the purpose of removing such goods and new products from such premises (including severance from the realty where necessary)

6. PAYMENT

(a) Payment by the Customer is due 30 days from date of invoice of the goods. The Company reserves the right to vary the terms of payment for export sales.

(b) If the Customer fails to pay the Company by the due date then in addition to all other remedies available to it and without limiting the generality of the foregoing the Company may;

(i) Suspend all further deliveries or supplies until payment is made in full;

(ii) Cancel the order and subsequent orders insofar as goods remain to be delivered or supplied thereunder;

(iii) Charge interest at the rate of 4% over the base lending rate from time to time of National Westminster Bank PLC on all sums outstanding and owing by the Customer to the Company from and including the date when the same fell due to be paid up to and including the date of payment.

7. QUALITY

(a) The Company shall provide and maintain a quality control and inspection system which is adequate to ensure in normal circumstances that the goods are of marketable quality.

(b) A sample of goods may be provided by the Company upon request for test against the specification provided by the Customer. The Company reserves the right to raise a reasonable charge for the supply of such samples and for any non-standard certificate of conformity which the Company agrees to provide.

8. DEFECTIVE GOODS

(a) The Company will use all reasonable endeavors to ensure that all goods supplied will conform to the written specification(s) (if any) provided by the Customer or referred to in the contract or (if no such specification is provided or referenced) to the relevant British Standard or internationally accepted specification for the goods to be supplied and that the goods will be free from material defects and suitable (if notified in writing by the Customer to the Company at the time of placing of the order) for the intended purpose for which the goods are to be used.

(b) if within 10 days of receipt by the Customer of the goods the Customer shall give written notice to the Company specifying;

(i) That there is a defect or fault in the materials from which the goods are made or in the manufacture of the goods or

(ii) That the goods do not comply in some material respect with any sample or description provided by the Company to the Customer or

(iii) the goods do not comply with the Company's drawings, specifications or descriptions provided to the Company with the relevant order including in each case details of the defect or non compliance

Then at its own discretion the Company will either exchange or repair any such goods provided always that the Company's liability so do shall not extend to any defect or fault in such goods which arises from damage sustained in transit or by reason of mishandling or arises by reason of goods being used for any purpose other than those for which they are intended or otherwise than in accordance with the Company's advice or by reason of goods having been wrongly installed by the Customer or stored in improper conditions.

9. LIABILITY

All information or advice given by the Company or any servant of the Company will be given in good faith and to the best of the knowledge, information and belief of the Company or such servants but the Company shall not be bound by written representations concerning the characteristics, capabilities and compatibility of goods supplied by the Company including those contained in any brochure issued by the Company and all liability for any other representations is hereby expressly excluded.

10. INDEMNITY

The Customer shall indemnify the Company against all damage or injury to any person, firm or Company and against all proceedings, changes and expenses for which the Company may become liable in respect of the goods supplied under a contract except to the extent admitted expressly in these conditions and unless such damage or injury shall have been a direct result of the negligence of the Company and can be attributed to no other cause (whether in whole or part).

11. EXCLUSIONS

Save as aforesaid and subject to the provisions of the Unfair Contract Terms Act 1977, conditions or other terms implied by statute or common law are excluded to the fullest extent entitled by law and in particular but without limiting the generality of the foregoing shall not be liable to the Customer for any loss of profit or revenue to the Customer or any other consequential loss. The Customer hereby expressly acknowledges that those clauses herein to which the Unfair Contract Terms Act 1977 applies are reasonable within the meaning of the act.

12. CARRIAGE

Goods are sent at the Customer's risk by the Company's nominated carrier and carriage will be payable in relation thereto. If special delivery arrangements are requested by the Customer they must be notified to the Company in writing within sufficient time to enable delivery to be made in accordance with the terms of the order.

13. PACKING

Goods will be packed in accordance with the Company's normal practice from time to time prevailing but the Company reserves the right to alter the method of packing in respect of individual orders. Specific packing requested by the Customer will be charged in addition to normal rates.

14. PATENTS, REGISTERED DESIGNS AND TRADEMARKS

To the extent that the Company receives an indemnity from the manufacturer for any compound or component used in the manufacture of the goods against each of the matters set out in this condition 14 but not further or otherwise the Company indemnifies the Customer against any infringement or alleged infringement of Letters, Patent, Registered Design, Trade Mark, Copyright or other third party industrial rights arising out of the contract made between the Company and customer and against all costs, damages and expenses which the Customer may reasonably incur by reason of such infringement or in connection with any action or proceeding in relation to the same provided that;

(i) This indemnity shall not apply in cases where the infringement, or alleged infringement arises for the use or adoption by the Company (whether alone or in conjunction with others) of specifications, drawings or descriptions supplied on or behalf of the Customer.

(ii) the Customer shall immediately notify the Company of any pending or threatened claim shall make no settlement thereof and shall permit the Company alone at the Company's expense to deal with such claim.

15. FORCE MAJEURE

(a) The Company shall not be liable to the Customer to the extent that fulfillment of its obligations to the Customer has been prevented, hindered or delayed by force majeure as herein defined.

(b) For the purpose of this condition force majeure shall mean any circumstances beyond the control of the Company and shall include (without restricting the generality of the force majeure

(i) riots, civil commotions, war, rebellion, national or international emergency, strikes lockouts or other labour disputes;

(ii) destruction or damage due to natural causes, floods, fires, explosions or breakdown of machinery;

(iii) Any order of a local, national or international authority;

(iv) shortage of labour, equipment, materials or supplies.

16. DEFAULT, INSOLVENCY ETC

If the Customer shall make default or commit a breach of contract or any other of his obligations to the Company, or if any distress or execution shall be levied upon the Customer's property or assets, or if the Customer shall make any arrangement or composition with creditors, or commit any act of bankruptcy or if any petition or receiving order in bankruptcy shall be presented or made against him, or if the Customer is a Limited Company and any resolution or petition to wind up the Customers business or presented, or if the Receiver, Administrative Receiver or Administrator of the undertaking, property or assets or any part

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thereof of the Customer shall be appointed, or the Company reasonably apprehends that any of these is likely to occur then the Company may without notice;

(ii) suspend or determine the contract or any unfulfilled part thereof; and

(iii) stop any goods in transit; and

(iv) recover any goods from the Customer's premises for which payment has not been made in full without prejudice to any other right or remedy which the Company may lawfully enforce or exercise.

17 APPLICABLE LAW AND ARBITRATION

The validity, construction and performance of the contract shall be governed by the law of England and the parties shall submit to the exclusive jurisdiction of the English Courts.

18 NOTICES

Any notice relating to these conditions shall be in writing and may be served or delivered to the party to be served in the case of a Company at its registered office and in the case of an individual at his address notified in writing to the other party from time to time and notices sent by first class delivery mail shall be deemed to have been delivered seventy two hours after posting and proof of due posting shall be sufficient evidence of delivery.

19 HEADINGS

The headings in these conditions are for ease of reference only and do not affect their construction and nor do they limit their scope.

20 NOTE

Please note the terms which provide that each order sale and /or delivery is made subject to these Conditions of Sale which have been agreed by us and acknowledged to you in writing.