

CONDITIONS OF PURCHASE

1. DEFINITIONS

In these conditions, the following expressions shall have the following meanings:

- a. "The Buyer" means Allgood plc. or any subsidiary company which places an Order with a Supplier.
- b. "The Supplier" means the person, firm or company to whom this Order is addressed,
- c. "Order" means any Order or request by the Buyer to the Supplier made in writing on the Buyer's Order form for the supply of goods, work or work and material or services.
- d. "The Contract" means the Order accepted by the Supplier
- e. "Goods" means the Articles or Materials to be supplied and/or services to be rendered and/or to be performed under the Contract.

2. OFFICIAL ORDER

The Buyer will not be liable to accept or to pay for the Goods unless the same have been supplied pursuant to and in accordance with an official Order duly signed by the Buyer or an authorised member of its buying department and bearing the Buyer's Order number.

The Supplier shall not accept verbal orders, or supply any Goods against verbal instructions and should such circumstances prevail shall refer the correspondent to these conditions.

3. ACKNOWLEDGEMENT

No Order shall be binding on the Buyer unless it is acknowledged by the Supplier within three working days of the date of Order. The Buyer reserves the right to cancel any Order if this condition is not complied with.

4. DELIVERY

- a. Where time is expressed to be of the essence of the contract delivery or performance must be effected within the time specified in the Order failing which the Buyer reserves the right to cancel the Order and recover from the Supplier any direct or consequential loss thereby incurred.
- b. The Buyer shall be entitled to regulate the rate of delivery or performance of the Goods, work or work and materials or services by means of delivery schedules. The Buyer shall be entitled to amend or update any delivery schedule upon giving reasonable notice in writing to the Supplier.
- c. The Buyer's official Order number shall be clearly stated on all delivery documentation which accompanies the Goods.
- d. The Buyer reserves the right to cancel the Order or any unexecuted parts of it if delivery is not made by the date specified in the Order or that subsequently amended and agreed.

5. QUALITY

All Goods supplied or used in pursuance of the Order shall be of the highest quality consistent with their intended purpose or application and suitable in every respect for the purpose for which they are required and shall correspond in every respect with any sample, patent, specification, description or drawing relating thereto. The Buyer reserves the right to reject any Goods (whether delivery has been accepted or not) which do not conform to the quality, standard or description specified in the Contract and (without prejudice to any other remedies which maybe available to the Buyer) to return the rejected Goods to the Supplier at the Supplier's risk and expense.

In the event of Goods being rejected as above the Buyer may either require the Supplier to supply further Goods in accordance with the Contract, or the Buyer may obtain similar Goods from alternative sources and recover any price difference from the Supplier.

6. ALTERATIONS

No alterations whether as to quality, quantity, the specification, the price or the conditions of purchase shall be made to the Order unless specifically agreed to in each case by the Buyer in writing.

7. SAMPLES

If samples are specified on the Order the Supplier shall submit samples for format approval and exchange. Delivery of the bulk of the Order shall not be started until the Buyer has communicated its approval in writing.

8. PRICE

All items, work and materials shall be invoiced at the prices ruling at the date of and as specified in the relevant Order.

9. INSPECTION

The Buyer reserves the right to inspect on the Supplier's or his sub-contractor's premises all materials and components produced or being produced for the Buyer and any work done or being done by the Supplier on behalf of the Buyer. The Supplier hereby grants the Buyer access at all normal working hours for this purpose. Any inspection checking or approval given on the Buyer's behalf shall not relieve the Supplier from any statutory or contractual obligations.

10. APPROVAL & ACCEPTANCE

All Goods supplied and work and services performed under the Order shall be subject to acceptance and approval by the Buyer and, in addition, in the case of services supplied, by the Buyer's client.

11. FORCE MAJEURE

The Buyer may delay delivery or acceptance of Goods occasioned by causes beyond its control (which shall include but not be limited to government regulations, labour dispute, fire or unusually severe weather). The Supplier shall at its own risk hold such Goods at the direction of the Buyer. If the Supplier is prevented from performing its obligations due to Force Majeure it shall immediately notify the Buyer and upon the receipt of such notice the Buyer may obtain the Goods from an alternative source and without prejudice to any other rights treat the Contract as terminated.

12. DRAWINGS

Any specifications, plans, drawings, patterns or designs supplied by the Buyer shall remain the Buyer's property and must be returned on request. Drawings issued with an Order are subject to revision control, all previous drawings must be destroyed. Acknowledgement of drawing receipt will be required from the Supplier.

13. TOOLS

All tools, dies and moulds whether wholly or partially owned by the Buyer shall be used for the manufacture of goods for the Buyer only, and shall be maintained in good condition by the Supplier at his expense. The Supplier shall not dispose of such tools, dies and moulds (or its interest therein) except with the prior consent in writing of the Buyer. The Buyer reserves the right to remove any tooling wholly owned by them from its Suppliers or his sub-contractor's premises at any time should requirements not be satisfied. All tools will be identified with the Buyer's tool plates affixed thereto by the Supplier.

14. PRODUCTS SUPPLIED BY THE BUYER

Any products supplied by the Buyer for use by the Supplier shall remain the property of the Buyer notwithstanding any work or process carried out on the products by the Supplier. The Supplier shall hold the products as bailee for the Buyer and shall so store and protect them so that they shall at all times be identifiable as property of the Buyer provided that the Supplier may until the occurrence of any of the events specified in condition 15 below process or deal with the products for the purpose of fulfilling the Order.

15. SUPPLIER'S DEFAULT

If the Supplier shall default in or commit breach of any of its obligations to the Buyer or if the Supplier (or when the Supplier is a firm any partner in that firm) shall at any time become bankrupt or shall have a receiving order or administration order made against him or shall make any composition or arrangement with or for the benefit of his creditors or shall make any conveyance or assignment for the benefit of his creditors or shall purport to do so or any application shall be made under any bankruptcy act for the time being in force for sequestration of his estate or a trust deed shall be granted by him on behalf of his creditors or the Supplier being an incorporated body if any resolution or petition to wind up its business shall be passed or presented otherwise than for reconstruction or amalgamation or if a receiver or manager of the Supplier's undertaking property or assets or any part thereof shall be appointed or if the Supplier shall be insolvent or shall be unable or be deemed unable or shall admit its inability to meet its commitments promptly as and when due or if any other event shall occur which in the Buyer's opinion gives ground for believing that the Supplier's ability to perform its obligations under any order may be impaired then and in any such event or the equivalent thereof in the Supplier's country of domicile the Buyer may (without prejudice to any other right or remedy which it might have):
(a) forthwith determine all or any Orders in whole or in part by notice in writing; and/or

- (b) take possession of any of the Goods and/or products held by the Supplier in which property is in or has passed to the Buyer and for this purpose enter upon any premises of the Supplier and sever the same from any assets of the Supplier; and/or
- (c) resell all or any of the Goods without further notice to the Supplier upon such terms and conditions as the Buyer may in its discretion determine.

16. CARRIAGE & PACKING

Unless the Buyer expressly agrees otherwise in writing, all items and materials supplied shall be delivered by the Supplier carriage and insurance paid to the address for delivery specified in the Order. The Buyer will not pay for containers, packing cases or pallets, unless previously agreed. Boxed standard stock products shall be packaged in accordance with the Buyer's specification, with a maximum carton weight of 20kg.

17. ASSIGNMENT

The Contract may not be assigned or sublet in whole or in part by the Supplier unless expressly agreed to in writing by the Buyer

18. CONFIDENTIALITY

Any information derived from the contents of this Order or otherwise communicated to the Supplier in connection with the Order shall be regarded by the Supplier as secret and confidential, and the Supplier shall not without written consent of the Buyer divulge the same to anyone nor make use of the same except for the purpose of executing the Order and shall ensure that its employees and agents shall also comply with this condition.

19. INTELLECTUAL PROPERTY

The Supplier warrants to the Buyer that the sale to the Buyer and the use by the Buyer and/or third parties being direct or indirect purchasers from the Buyer of the Goods, do not constitute an infringement of any letters patent, registered design, copyright, trade mark or other intellectual property right of any person or application for any of the above things. The Supplier shall indemnify the Buyer from and against all damages, costs claims, demands or proceedings in respect of any such infringement as aforesaid, or any alleged infringement or any claim from the direct or indirect purchaser from the Buyer arising in and resulting from any legal proceedings or out of court settlement. The Buyer may be represented by and actively participate through its own counsel in any such legal proceedings it so desires and the cost of such representation shall be paid by the Supplier. Where any Contract requires the Supplier to produce or supply Goods to the specification, or design of the Buyer, or in accordance with the specific requirements or instructions of the Buyer; the Supplier shall on demand, without charge, validly and effectively assign and transfer all intellectual property rights relating to such Goods, their process of manufacture, and their development to the Buyer.

20. INDEMNITY

The Supplier shall indemnify the Buyer against any loss, damage or injury suffered by the Buyer, any claim in respect of loss, damage or injury made against the Buyer by third parties and any cost and expenses arising in connection with them which result from the Supplier's failure to comply with the Contract (whether negligent or otherwise) and in particular resulting from any defect in the Goods or their materials, construction, workmanship, or design, other than Goods prepared exclusively in accordance with a design or instruction given by the Buyer. The Buyer may at its discretion permit the Supplier to rectify any defect at the Supplier's own cost. The Supplier shall be at all material times adequately insured with a reputable insurer against all insurable liability of the Supplier under the contract and provide evidence of such insurance upon request of the Buyer.

21. WAIVER

Failure or delay by the Buyer to enforce any of its rights against the Supplier shall not be construed as a waiver of such rights.

22. GOVERNING LAW & LANGUAGE

The construction and performance of the Contract shall be governed by the laws of England. All documentation and communications provided to and between the Buyer and the Supplier in connection with the Contract shall be in the English language.