

1. DEFINITIONS

1.1. In these Conditions:

- “Purchaser” means Industrial Textiles & Plastics Limited, Registered in England under number 2382352 Registered Office Stillington Road, Easingwold, York YO61 3FA, United Kingdom.
- “Supplier” means the party to whom the Purchase Order is addressed.
- “Conditions” means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Purchaser and Supplier.
- “Contract” means the contract for the purchase and sale of Goods consisting in these Conditions and any Supplier Assessment Form and written Purchase Order.
- “Goods” means those materials, goods, equipment or services (in whole or in part) sold by the Supplier.
- “Specification” includes any plans, drawings, data, software, or other information relating to the Goods.
- “Writing” includes e-mail, cable, facsimile transmission and comparable means of communication.

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

1.3. The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. PURCHASE CONDITIONS

2.1. The parties agree that the Contract together with any other documents referred to in the Contract (together the “Contractual Documents”) constitutes the entire agreement between the parties.

2.2. Obligations on the Purchaser’s part are accepted only if the Purchase Order is placed with the Supplier and accepted as set out below. Arrangements made orally require the Purchaser’s express written confirmation to be binding. Amendments to the Purchase Order must be in writing or confirmed in writing.

2.3. No terms or conditions of the Supplier shall apply other than those (if any) expressly mentioned as applicable in the Purchase Order.

2.4. Without limiting the above, no terms or conditions in any acknowledgement of the Supplier of the Purchase Order shall apply to the Purchase Order.

2.5. The Purchase Order will lapse unless unconditionally accepted by the Supplier in writing within seven days of its date.

3. MATERIALS AND WORKMANSHIP

3.1. Unless otherwise agreed by the Purchaser in writing and subject to any Purchase Order change requirements, Goods shall comply with the Specification and any other documents referred to in the Purchase Order and shall be of the best quality of their respective kinds incorporating first class workmanship throughout. The Goods will be free from defects in design, material and workmanship. Where goods similar to the Goods have been supplied previously, no change in Specification shall be made without the Purchaser’s written consent.

3.2. The Supplier guarantees that Goods shall be fit for purpose for which purchased, be of merchantable quality and will fulfil in all respects Specification requirements.

3.3. In the absence of a Specification from the Purchaser, the Supplier shall submit a sample of the Goods and a written Specification and drawing. All Goods shall be within the limits of sound industrial quality and practices.

3.4. The Supplier shall immediately when called to do so by the Purchaser, without prejudice to Clause 3.1 and 3.2 above, replace at no cost to the Purchaser, any Goods not complying with the Purchase Order where such non-compliance arises within 12 months (or such longer period as any be stated in the Specification or Purchase Order) from the date the Goods are commissioned PROVIDED any failure of Goods to fully comply with the Purchase Order is not due to improper storage (having regard to storage instructions) or misuse or neglect by the Purchaser or persons for whom the Purchaser is responsible.

3.5. The Purchaser may freely assign its benefit under the Supplier’s above guarantee.

3.6. The Purchaser shall as soon as is practicable give written notice to the Supplier where Goods do not conform with the Purchase Order and subject as above the Supplier shall at its own expense expedite such alterations, repairs and replacements as are necessary to ensure to the Purchaser’s satisfaction that Goods then do conform with the Purchase Order. If the Supplier cannot alter, repair or replace as above to the Purchaser’s satisfaction Goods shall be removed by or at the expense of the Supplier who shall without cost to the Purchaser provide and install Goods which fully comply with the Purchase Order without prejudice to any other rights or remedies of the Purchaser. Any altered, repaired or replaced Goods shall be guaranteed by the Supplier as if they were the original Goods. In addition, the Supplier shall compensate the Purchaser for any loss or costs incurred whilst having faults rectified as above.

3.7. If the Supplier fails to alter, repair or replace as above the Purchaser may do so and the Supplier shall reimburse all the Purchaser’s costs and expenses incurred thereby.

3.8. The Purchaser is under no design responsibility.

4. TIME AND PERFORMANCE

4.1. Where, under the Purchase Order, the supply of a service is required, the Supplier will be bound to the fixed period as defined on the Purchase Order.

5. INDEMNITY

5.1. Without prejudice to any other rights of Purchase, the Supplier shall indemnify the Purchaser against every liability which the Purchaser may incur to any other person whomsoever, and against all claims, proceedings, damages, costs and expenses made against or incurred by the Purchaser by reason of any breach of the Supplier or its obligations under the Purchase Order either directly, or as an indirect consequence of the failure of the Supplier or his sub-contractors.

6. PRICES

6.1. The price quoted by the Supplier shall include insurance, delivery, under Clause 7.1 to the address stated on the Purchase Order, and the cost of packing under Clause 9.2, and any duties, imposts or levies other than value added tax (VAT).

6.2. All prices shall be fixed by the placing of the Purchase Order.

6.3. The Purchaser will 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.

7. DELIVERY

7.1. The Supplier warrants that the Goods will be delivered to, and the Services will be performed at, the Delivery Address on the date or within the period stated in the Purchase Order or any change to the Purchase Order, in either case during the Purchaser’s usual business hours. 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.

7.2. All delays arising or likely to arise in delivery will be notified immediately to the Purchaser and confirmed in writing.

- 7.3. If Goods or any part thereof are not delivered by the due date (or if delivered by the due date are not in accordance with the Purchase Order) the Purchaser may cancel the Purchase Order and refuse further delivery and obtain alternatives from other sources and the Supplier shall be liable to the Purchaser for any additional cost and expense incurred including loss of profit.
- 7.4. Notwithstanding Clause 7.3, if Goods or any part thereof are not delivered or the services are not performed on the due date then, without limiting any other remedy, the Purchaser shall be entitled to deduct from the Price or (if the Purchaser has paid the Price) to claim from the Supplier by way of liquidated damage for delay 5 per cent of the Price for every seven day delay, up to a maximum of 50 per cent.
- 7.5. 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.
- 7.6. The Purchaser may reject any Goods delivered that 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.
- 7.7. The Purchaser may at any time and at no cost to the Purchaser require the Supplier to postpone delivery of Goods in whole or in part.
- 7.8. The Purchaser shall not be responsible for damage to or by vehicles or other means of transport conveying Goods to or from place of delivery including damages to Extraordinary Traffic.
- 7.9. Time is of the essence for delivery and the Supplier shall (unless liquidated damages are stipulated in the Purchase Order) be liable for all loss expense damages, costs and other outgoings, including loss of profit, suffered or incurred by the Purchaser as a result of the Supplier's failure to deliver in accordance with the Purchase Order, but not restricted to failure to deliver on time.
- 7.10. The Purchaser is not responsible for any failure by it to give notice to the Supplier within any specified time of loss, damage, delay, detention in transit or non-delivery of Goods.
- 7.11. The Supplier shall send to the Purchaser at each delivery address shown on the Order a detailed but un-priced delivery note for each consignment of the Goods on the day of despatch of any of the Goods to that delivery address.

8. CHANGE ORDERS / AMENDMENTS

- 8.1. At any time prior to completion by the Supplier of its obligations under the Purchase Order, the Purchaser may issue to the Supplier written instructions (Change Order) modifying the Specification or other parameters of Goods, extending the time for delivery or changing the place of delivery. As soon as is reasonably practicable following receipt of Change Order, the Supplier will submit to the Purchaser a quotation for the variation of price for Goods.
- 8.2. The Purchaser may accept the above quotation and issue an amended Purchase Order.

9. PACKING

- 9.1. Goods must be marked in accordance with the Purchaser's instructions and any applicable regulations or requirements of the carrier. Goods must be adequately protected against damage and deterioration in transit, unloading and storage. Where Goods are to be exported from the country of origin, packing must be able to withstand likely handling and sea atmosphere when shipped. Adequate protection must be provided where storage in tropical climates will occur.
- 9.2. The Supplier's price for Goods shall include for all charges for preparation, packaging, packing, boxing, rating, freight or special services of any kind unless otherwise specified on the Purchase Order.
- 9.3. The Purchaser shall not be obliged to keep or return packing.

10. CANCELLATION

- 10.1. Where Goods are not stock merchandise of the Supplier, the Purchaser may cancel the Purchase Order (in whole or in part) without having to justify such cancellation by written notice to the Supplier. In such event the Purchaser shall make and the Supplier will accept payment on the basis of a fair valuation, supported by documentary evidence, for work actually done under this Purchase Order prior to receipt by the Supplier of notice of termination but be limited to monies not otherwise recoverable by the Supplier.
- 10.2. If Goods are standard stock merchandise of the Supplier then the Purchaser may cancel all or any part not physically delivered to destination at any time by written notice to the Supplier without having to justify such cancellation and in such event the Purchaser shall have no further obligation in respect of the cancellation except to make payment for consignment and re-delivery charges to the Supplier in respect of Goods despatched but not delivered prior to such cancellation but limited cost not otherwise recoverable by the Supplier.
- 10.3. Without prejudice to its rights under Clause 10.1 and 10.2 above the Purchaser may immediately cancel the Purchase Order by written notice to the Supplier on the occurrence of any of the following:
 - 10.3.1. any breach by the Supplier of its obligations hereunder
 - 10.3.2. any cause or event beyond the Supplier's reasonable control which prevents the Supplier from fulfilling its obligations hereunder
 - 10.3.3. the Supplier committing an act of bankruptcy, entering into a deed of arrangement with its creditors, or being a company becomes the subject to an administration order or goes into liquidation (other than a voluntary liquidation for the purposes of reconstruction or amalgamation)
 - 10.3.4. an encumbrancer takes possession, or a receiver is appointed, of any property or assets of the Supplier
 - 10.3.5. the Supplier ceases or threatens to cease, to carry on business
 - 10.3.6. 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.

11. SET-OFF

- 11.1. In the event of the Supplier defaulting on the obligations of the Purchase Order, causing the Purchaser cost and expense, the Purchaser may deduct such cost and expense from any monies due to the Supplier, upon the issue of an invoice, or determine the Purchase Order forthwith.

12. STORAGE

- 12.1. If for any reason, the Purchaser cannot accept delivery of the Goods at the time or place stipulated on the Purchase Order, the Supplier shall at its own cost, store the Goods safeguard them and take all reasonable steps to protect the Purchaser's interests until their actual delivery.
- 12.2. The Goods are at the Supplier's risk until actually delivered in accordance with the Purchase Order and accepted by the Purchaser.

13. REGULATIONS

- 13.1. The Supplier warrants that it will in respect of the Goods comply with all Government (domestic and foreign) Acts, codes, laws, regulations and requirements including any minimum standards or Specifications operable even if not legally mandatory such as good practice, and will undertake such tests, with documented results, as are necessary to verify compliance with the standard

and/or others applicable to Clause 3. Should regulations, standards or the like as above change during the execution of the Purchase Order, the Supplier shall upgrade the Goods to the latest Specification.

13.2. The Supplier will, prior to delivery of the Goods, at its own cost supply whatever Government and other authorisation documents necessary for the proper execution of this Purchase Order.

13.3. The Supplier will ensure that any Government or other authorisation markings or codes are prominently stamped or marked on the Goods and/or packing as necessary.

14. WAIVER

14.1. Any waiver by the Purchaser of any right or benefit arising by any breach by the Supplier of the Purchase Order shall not be, or be deemed to be a waiver of the Purchaser's rights or benefits arising by virtue of any subsequent breach by the Supplier.

14.2. Any waiver by the Purchaser as above shall not be a variation of the Purchase Order and not release the Supplier of any other of the Supplier's obligations hereunder.

15. TITLE AND RISK

15.1. Title in the Goods shall pass to the Purchaser on delivery.

15.2. Where payment is to be made to the Supplier by instalments, all work done and material allocated to, incorporated in and intended for the Goods and for which such payment is made, shall be appropriated to the contract between the Supplier and the Purchaser under the Purchase Order and unencumbered title shall unconditionally vest in the Purchaser free from all claims and liens of the Supplier and third parties. The Supplier shall as soon as reasonable practicable, set aside and mark with the Purchaser's name and the number of the Purchase Order, the Goods with title vested in the Purchaser. These Goods shall account for at least the worth of monies paid at any time.

15.3. Notwithstanding vesting in the Purchaser as above risk shall remain with the Supplier in accordance with Clause 12.2.

16. PAYMENT

16.1. Unless otherwise stated in the Purchase Order, payment will be made at the end of the second calendar month following delivery of the Goods, supply of service, or agreement of invoice.

16.2. The Supplier's invoice must state Purchase Order Number, Item Number, Description of Goods, Date of Delivery, Confirmation of whether invoice is full or part payment, Presentation when relevant of Tax Exemption Certificate, Material Certification or Quality Control documentation called for in the body of the Purchase Order.

16.3. The Supplier shall send to the Purchaser's Head Office:

16.3.1. an invoice within seven days of service or supply of Goods

16.3.2. a statement of any invoice rendered during any month by the 10th day of the next month.

16.4. Without prejudice to any other remedy, the Purchaser may defer payment, without loss of any discount, to the extent that the Supplier fails to comply with any of the provisions of Clause 16.1 or 16.2.

17. FREE ISSUE MATERIALS AND TOOLING

17.1. All tooling, drawings, patterns and equipment made available by the Purchaser in connection with the Goods/Purchase Order shall be and remain the property of the Purchaser and the Supplier shall;

17.2. keep those items in good order and condition and be responsible for any loss or damage to them

17.3. use or sub-let (refer Clause 17.1) those items only for the purposes of the Purchase Order; and

17.4. return those items carriage paid to the Purchaser upon request at any time

17.5. any tooling, artwork, dies and the like paid for by the Purchaser whether separately or amortised in the product cost shall be returned to the Purchaser on demand, or replaced new at the Supplier's expense, failing which proper compensation (including loss of profits) shall be paid by the Supplier to the Purchaser.

18. INTELLECTUAL PROPERTY

18.1. The Supplier will protect and indemnify the Purchaser from and against all claims, demands and proceedings arising out of any infringement of any intellectual property rights (including, but without limitation, patents, trade marks, industrial designs and copyright) in respect of Goods including all loss suffered or occasioned by the Purchaser when dealing with such claims, demands and proceedings.

18.2. The Supplier warrants that it has the right to supply the Goods to the Purchaser without any royalty, unless specifically agreed in writing, or other charge being incurred by the Purchaser or any other duty being assured.

19. TECHNICAL DATA

19.1. The Suppliers prices include its supply to the Purchaser of all necessary drawings, operating instructions, induction training where applicable, maintenance manuals, certificates, reports and the like in numbers of copies and at times in accordance with the Purchase Order.

19.2. The Purchaser's approval of the Supplier's drawings shall impose no design liability of the Purchaser.

19.3. 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.

19.4. The Supplier undertakes not to infringe such copyright by selling the same Goods, or like goods, to any other party at the time of the Contract, or in the future. Where such drawings and technical data are provided to or by the Supplier for the purpose of manufacture or fabrication of Goods they remain the Purchaser's exclusive property and are returnable to the Purchaser on demand. Further, if the Supplier is commissioned to carry out a design, drawing or technical data, it shall grant or cause to be granted an exclusive licence to the use of that material to the Purchaser for the purpose of the particular project or market. Such exclusive licence shall be in writing, signed by the Licensor authorising the Purchaser to the exclusion of all other persons, including the Licensor to exercise a right which would otherwise be exercisable by the Licensor.

19.5. If discrepancies exist between drawings, technical data, Specification and other documents associated with the Purchase Order, the Supplier shall immediately give the Purchaser written notification of the same for determination by the Purchaser.

19.6. The Supplier shall ensure the drawing/technical Specification is of the latest issue.

20. QUALITY ASSURANCE

20.1. The Purchaser's inspector or representative and any inspector or representative of any customer or client of the Purchaser or of any Government department or authority with a proper interest in the Goods shall be entitled with the Purchaser's written authority (where applicable) to inspect or test the Goods at any reasonable time at the Supplier's works or those of any sub-contractor or

assignee of the Supplier. Any inspection or tests as above will not relieve the Supplier of any liability under the Purchase order nor imply acceptance of Goods.

- 20.2. The Supplier shall give adequate notice of both works tests and bench mark tests during manufacture which the Purchaser is entitled under the Purchase Order to attend and will provide (at the Supplier's cost) the Purchaser with such test certificates as the Purchaser or Purchaser's customer or client may reasonably require.
- 20.3. The Supplier shall maintain adequate records and quality control procedures as specified in ISO 9000 (as upgraded from time to time) and shall make them available upon request by the Purchaser.
- 20.4. It is the Supplier's responsibility to inspect all goods and to guarantee their compliance with the Specification.
- 20.5. Where the Supplier is supplying a sub-assembly it shall be the Supplier's responsibility to test and check that the unit is compatible to the main assembly for which it is required.

21. EXPEDITING

- 21.1. The Supplier shall inform the Purchaser of progress in carrying out its obligations under the Purchase order to such extent and at such times as is reasonable.
- 21.2. The Supplier shall supply the Purchaser at no extra cost to the Purchaser with un-priced copies of the Supplier's sub-contracts and sub-orders and any relevant shipping information as and when requested by the Purchaser.
- 21.3. At the reasonable request of the Purchaser, the Supplier shall allow the Purchaser and its nominees access to its premises to inspect the Goods and shall impose a similar obligation to all its assignees, sub-contractors and those carrying out sub-orders.

22. INSURANCE

- 22.1. The Supplier will indemnify the Purchaser against all claims (including consequential loss in respect of loss or damage to persons and property and loss of profits) by the Purchaser or third parties arising out of or in consequence of the supply of Goods and shall, at its own cost, take out and maintain adequate insurance including Employer's Liability and third party and professional indemnity insurance, and shall supply details of such insurance when requested to do so by the Purchaser. If the Supplier fails to take out and maintain insurance as above, the Purchaser may effect the same and deduct the cost of so doing from monies which would otherwise be due to the Supplier.

23. CONFIDENTIALITY

- 23.1. All information of technical or business nature disclosed by the Purchaser to the Supplier either prior to or after the date of the Purchase Order is confidential and shall only be disclosed by the Supplier to such persons as may be necessary in order for the Supplier to fulfil its obligations hereunder.

24. GENERAL

- 24.1. The Purchase 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.
- 24.2. Any notice required or permitted to be given by either party to the other under these Conditions 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 pursuant to 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 Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected.
- 24.5. All disputes or differences which shall at any time arise between the parties touching or concerning this agreement or its construction or effect or the rights duties or liabilities of the parties under or by virtue of or otherwise or any matter in any way connected with or arising out of the subject matter of this agreement shall be referred to a single expert to act as expert and not as arbitrator to be agreed upon by the parties or, in default of agreement, to be nominated by the President for the time being of the Chartered Institute of Arbitrators, North East Branch, England. The expert's decision shall be final and binding on all parties but before making a decision he shall give all parties a full opportunity of making such representation as they may reasonably require.
- 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.

PLEASE RETAIN FOR YOUR RECORDS
