

KEK-GARDNER Ltd TERMS & CONDITIONS OF PURCHASE

1 INTERPRETATION

- 1.1 In these conditions:
- "Buyer" means Kek-Gardner Limited or any subsidiary or associated Company as defined in the Companies Act 1989.
- "Conditions" means the standard conditions of purchase set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and the Seller.
- "Contract" means the contract for the sale and purchase of the goods and the supply and acquisition of the services.
- "Delivery Address" means the address stated on the Order.
- "Goods" means the goods (including any instalment of the Goods or any part of them) described in the Order and any written particulars accompanying the goods.
- "Order" means the Buyer's purchase order to which these Conditions are annexed and any subsequent order whether placed orally or in writing or otherwise.
- "Price" means the price of the Goods and/or the charge for the services.
- "Seller" means the person so described in the Order.
- "Services" means the services (if any) described in the Order.
- "Specification" includes any plans, drawings, data or other information relating to the Goods or Services.
- "Writing" includes telex, cable, facsimile transmission, electronic mail and comparable means of communication.

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

2 BASIS OF PURCHASE

- 2.1 The Order constitutes an offer by the Buyer to purchase the Goods and/or acquire the Services subject to these conditions.
- 2.2 These Conditions shall apply to the Contract to the exclusion of any other terms and conditions on which any quotation has been given to the Buyer or subject to which the Order is accepted or purported to be accepted by the Seller and to any subsequent contract for the purchase of the Goods or the acquisition of the Services by the Buyer from the Seller.
- 2.3 No variation to the Order or these Conditions shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.

3 SPECIFICATIONS

- 3.1 The quantity, quality and description of the Goods and the Services shall, subject as provided in these Conditions, be as specified in the Order and/or in any applicable Specification supplied by the Buyer to the Seller or agreed in Writing by the Buyer.
- 3.2 Any Specification supplied by the Buyer to the Seller, or specifically produced by the Seller for the Buyer, 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 Buyer and shall be returned to the Buyer as soon as the contract is completed. The Seller 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 Seller, or as required for the purpose of the Contract.
- 3.3 The Seller shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging and delivery of the Goods and the performance of the Services.
- 3.4 The Seller shall not unreasonably refuse any request by the Buyer to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to despatch, and the Seller shall provide the Buyer with all facilities reasonably required for inspection and testing.
- 3.5 If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all respects with the Contract, and the Buyer so informs the Seller within 7 days of inspection or testing, the Seller shall take such steps as are necessary to ensure compliance.
- 3.6 The Goods shall be marked in accordance with the Buyer's instructions 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.
- 3.7 Where the Goods include electrical goods the Seller's nameplate engraved with all relevant details shall be attached to the Goods and the Seller warrants without reservation that such goods shall comply with the appropriate British Standard for the time being in force.

4 PRICE OF THE GOODS AND SERVICES

- 4.1 The price of the Goods and the Services shall be as stated in the Order and, unless otherwise so stated, shall be:
- 4.1.1 exclusive of any applicable value added tax (which shall be payable by the Buyer subject to receipt of a VAT invoice); and
- 4.1.2 inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts or levies other than value added tax.
- 4.2 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 Buyer in Writing.
- 4.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase customarily granted by the Seller, whether or not shown on its own terms and conditions of sale.

5 TERMS OF PAYMENT

- 5.1 The Seller shall be entitled to invoice the Buyer on or at any time after delivery of the Goods or performance of the Services, as the case may be, and each invoice shall quote the number of the Order.
- 5.2 Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods and the Services 30 days after the end of the month of receipt by the Buyer of a proper invoice, or if later, after acceptance of the Goods or Services in question by the Buyer.
- 5.3 The Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Seller.

6 DELIVERY

- 6.1 The Goods shall be delivered to, and the Services shall be performed at, the Delivery Address on the date or within that period stated in the Order, in either case during the Buyer's usual business hours or otherwise if so required by the Buyer.
- 6.2 Where the date of delivery of the Goods or of performance of the Services is to be specified after the placing of Order, the Seller shall give the Buyer reasonable notice (being no less than 14 days) of the specified date.
- 6.3 The time of delivery of the Goods and of performance of the Services is of the essence of the Contract.
- 6.4 A packing note quoting the number of the Order must accompany each delivery or consignment of the Goods and must be displayed prominently.
- 6.5 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.
- 6.6 The Buyer shall be entitled to test Goods during the course of manufacture and thereafter to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer 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. If Goods shall be rejected as aforesaid then the Buyer may require the Seller to provide replacement goods without any prejudice to its rights already accrued.
- 6.7 The Seller shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services

and in particular shall deliver with the Goods a complete manual or handbook (if appropriate) and any other documentation reasonably required by the Buyer.

- 6.8 The Buyer shall not be obliged to return to the Seller any packaging or packing materials for the Goods, whether or not any Goods are accepted by the Buyer.
- 6.9 If the Goods are not delivered or the Services are not performed on the due date than without prejudice to any other remedy, the Buyer shall be entitled to deduct from the Price or (if the Buyer has paid the Price) to claim from the Seller by way of liquidated damages for delay 2% of the Price for every week's delay, up to a maximum of 20%.

7 RISK AND PROPERTY

- 7.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery to the Buyer at the address stipulated by the Buyer in accordance with the Contract.
- 7.2 The property in the Goods shall pass to the Buyer upon delivery.

8 WARRANTIES AND LIABILITY

- 8.1 The Seller warrants to the Buyer that the Goods:
- 8.1.1 will be of merchantable quality and fit for any purpose held out by the Seller or made known to the Seller in Writing at the time the Order is placed;
- 8.1.2 will be free from defects in design, material and workmanship;
- 8.1.3 will correspond with any relevant Specification or sample; and
- 8.1.4 will comply with all statutory requirements and regulations relating to the sale of the Goods;
- 8.1.5 where necessary will be treated to prevent corrosion or damage during delivery and suitable storage on site for 6 months after delivery;
- 8.1.6 will carry protective finishing and packaging in accordance with Buyer's instructions given from time to time upon request.
- 8.1.7 will bear appropriate markings or labelling so as to comply in every respect with the legislation of the United Kingdom and all legislation, regulations, rules or other requirements of the European Union.
- 8.2 The Seller warrants to the Buyer that for a period of 2 years after delivery of the Goods;
- 8.2.1 the Seller will at the election of the Buyer replace free of charge all parts and materials that are or have become defective or unmerchantable or otherwise unsuited to the Buyer's purposes (fair wear and tear excepted);
- 8.2.2 the Seller will manufacture and stock and have readily available spare or replacement parts for all components parts of the goods in order to fulfil the warranties herein contained.
- 8.3 The Seller warrants to the Buyer that appropriately qualified and trained personnel will perform the Services, with due care and diligence and to a high standard to quality.
- 8.4 Without prejudice to any other remedy, if any Goods or Services are not supplied or performed in accordance with Contract, then the Buyer shall be entitled;
- 8.4.1 to require the Seller to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within 7 days; or
- 8.4.2 at the Buyer's sole option, and whether or not the Buyer has previously required the Seller to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid.
- 8.5 The Seller shall indemnify the Buyer in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Buyer as a result of or in connection with:
- 8.5.1 breach of any warranty given by the Seller in relation to the Goods or the Services;
- 8.5.2 any claim that the Goods infringe, or their importation, use or resale, infringes, the patent, copyright, design right, trade mark or other intellectual property rights of any person, except to the extent that the claim arises from compliance with any Specification supplied by the Buyer;
- 8.5.3 any liability under the Consumer Protection Act 1987 or the Health and Safety at Work Act 1974 in respect of the Goods whether by the Buyer or by any sub-buyer or use of the Goods;
- 8.5.4 any act or omission of the Seller or its employees, agents or sub-contractors in supplying delivering and installing the Goods; and
- 8.5.5 any act or omission of any of the Seller's personnel in connection with the performance of the Services.
- 8.6 Neither the Seller or the Buyer shall be liable to the other or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of its obligations in relation to the Goods or the Services, if the delay or failure was beyond that party's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond either party's reasonable control;
- 8.6.1 act of God, explosion, flood, tempest, fire or accident;
- 8.6.2 war or threat of war, sabotage, insurrection, civil disturbance or requisition;
- 8.6.3 acts, restrictions, regulations, by-laws, prohibitions or measure of any kind on the part of any governmental, parliamentary or local authority;
- 8.6.4 import or export regulations or embargoes
- 8.6.5 strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of either the Seller or the Buyer or of a third party)

9 TERMINATION

- 9.1 The Buyer shall be entitled to cancel the Order in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery of performance, in which event the Buyer's sole liability shall be to pay to the Seller the Price for the Goods or Services in respect of which the Buyer has exercised its right of cancellation, less the Sellers net saving of cost arising from cancellation.
- 9.2 The Buyer shall be entitled to terminate the Contract without liability to the Seller by giving notice to the Seller at any time if:
- 9.2.1 the Seller makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or (being a company) becomes subject to an administration order or goes into Liquidation (otherwise than for the purpose of amalgamation or reconstruction); or
- 9.2.2 an encumbrance takes possession, or a receiver is appointed, of any of the property or assets of the Seller; or
- 9.2.3 the Seller ceases, or threatens to cease, to carry out business; or
- 9.2.4 the Buyer reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly.

10 GENERAL

- 10.1 The Order is personal to the Seller and the Seller shall not assign or transfer to purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the Contract.
- 10.2 The Seller will at the request of the Buyer provide free of charge to the Buyer such Training or other support service for the Buyer's employees or contractors as the Buyer shall reasonably require to enable the Buyer to utilise or operate the Goods and to make the most efficient use of the Services.
- 10.3 Any notified 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.
- 10.4 No waiver by the Buyer of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 10.5 If any provision of these Conditions is held to be unlawful under English law any competent authority or invalid or unenforceable in whole or in part the validity or enforceability (as the case may be) of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.
- 10.6 The Contract shall be governed by the laws of England and the parties shall submit (at the election of the Buyer) to the exclusive jurisdiction of the Courts of England and Wales.