

Corrpro Companies Europe Limited

General Conditions of Purchase

1 Definitions and General

‘The contract’ shall mean these Conditions, the Purchase Order and any attachments to those documents

‘The goods’ shall mean the goods and items described in the Purchase Order (including any replaced goods and spare parts) and the term ‘the goods’ shall whenever the context permits include any work or services performed under the contract by the supplier or any of its sub-contractors in connection with or incidental to the goods

‘The buyer’ shall mean Corrpro Companies Europe Limited

‘The seller’ shall mean the person or persons or firm or company to whom the Purchase Order is issued

‘Purchase Order’ shall mean a document headed ‘Purchase Order’, together with any amendment thereto signed by or on behalf of the buyer, and issued to the seller

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 other provisions of these conditions and the remainder of the provision in question shall not be affected.

2 Acceptance

This Purchase Order constitutes an offer on the part of the buyer to purchase the goods listed overleaf on the terms and conditions and at the prices stated herein, and to constitute a binding contract upon the buyer the offer must be accepted unconditionally in writing. These conditions shall operate to the exclusion of any conflicting terms or conditions expressed in any way on the part of the seller. No variation of this order or these terms and conditions shall be effective unless confirmed in writing by the buyer.

3 Pricing and Payment

The price of the goods shall be as stated in the Purchase Order and except as otherwise agreed in writing between the parties shall be the total compensation payable to the seller under the contract.

Unless otherwise agreed in writing by the buyer, the price shall include as appropriate (i) secure and proper packaging acceptable to the buyer and (ii) the cost of delivery to the address specified in the Purchase Order.

The buyer reserves the right to set off any sums in respect of which the seller may be indebted or in default to the buyer irrespective of how they have arisen and whether or not in connection with the Purchase Order.

No payment made by the buyer shall in any way be construed as acceptance of any of the goods supplied and shall not in any way impair or restrict any rights or remedies the buyer may have under the contract.

Payment shall be due by the end of the month following the month in which the invoice is received by the buyer unless otherwise agreed in writing between buyer and seller.

4 Delivery

The seller shall give reasonable notice to the buyer of the time of delivery.

The seller shall give the buyer immediate notice of any potential delay in delivery.

Without prejudice to any of the seller’s obligations under the contract the seller shall at all times allow persons duly authorised by the buyer to enter upon the premises where the goods or any part thereof are being

manufactured or any work in connection therewith is being carried out and shall provide such programmes, schedules, reports and other information as the buyer may require to monitor the progress of the goods and to satisfy the buyer that all practicable measures have been and are being taken to meet the due date and/or time of delivery.

The goods shall be delivered by the seller at the seller's own risk at the place and times and in the manner specified in the Purchase Order.

Delivery in instalments or separate consignments shall be permitted only with the prior consent in writing of the buyer and only in accordance with the terms of such consent, and such permission, if given, shall not entitle the seller to claim payment prior to delivery of the whole of the goods, unless otherwise expressly agreed in writing by the buyer.

In no circumstances shall the risk of damage to or loss or destruction of the goods pass to the buyer prior to delivery of the goods to the place of delivery.

5 Quality and Performance

(a) All goods (including raw materials and unfinished goods) shall be provided and/or made in a professional manner using all due care and skill and shall, on delivery to the buyer, be of merchantable quality, fit for the purpose for which the buyer requires them and where applicable in accordance with the buyer's specifications, and of first class materials, workmanship and design and to the satisfaction of the buyer. All goods shall comply in all respects with the terms of the contract and all warranties or representations given or made on behalf of the seller or implied at law. The buyer shall also have the right to require the seller to remedy any defect in any of the goods supplied in accordance with this Purchase Order which may be discovered within eighteen months of the date on which the same have been received by the buyer at the seller's own expense irrespective of where the goods may then be situated. For the avoidance of doubt any express warranty or guarantee given by the seller shall extend to parts and labour and shall apply until expiry of a period of eighteen months from the date of delivery of the goods to the buyer.

(b) The buyer relies upon the skill and judgement of the seller and the seller shall advise the buyer in writing of any alterations which may be necessary to ensure that the goods purchased under this order are fit for the purpose and capable of the performance specified by the buyer. No alterations shall be made however without the buyer's written agreement.

(c) For the purpose of satisfying the buyer that the obligations contained herein are being observed, the seller and its sub-contractors shall at all times allow persons duly authorised by the buyer to make any inspections or tests which the buyer may require and/or witness any inspections or tests carried out by the seller pursuant to sub-clause (d) of this clause and shall afford to the buyer all reasonable facilities and assistance which shall be free of cost to the buyer unless specifically agreed in writing to the contrary.

(d) Without prejudice to sub-clause (c) of this clause the seller shall at its own expense carry out such inspections and tests of the goods as may be required for the purposes of ensuring that the goods are (i) safe and without risks to health when properly used and (ii) in full compliance with the contract

6 Variations

The seller shall not make any variations in the design, materials or method of manufacture of the goods nor substitute other parts or fitments ordered by the buyer without the prior written consent of the buyer.

The buyer shall have the right, from time to time during the performance of the contract, by notice in writing to direct the seller to add to or omit, or otherwise vary the goods (including without limitation any required changes in any drawings, specifications, instructions or directions) and the seller shall carry out such variations and be bound by the same terms and conditions so far as applicable, as though the said variations were stated in the contract.

Any adjustment to the contract price occasioned by any variation shall be ascertained and determined at the same level of pricing as that stated in the Purchase Order. The seller shall within five working days from

receipt of the buyer's direction and if that direction so instructs prior to proceeding with the required variation advise the buyer in writing of its estimate of the amount of any such adjustment to the contract price.

Variations shall be confirmed by amendment to the Purchase Order, signed by or on behalf of the buyer and issued to the seller.

The seller shall be deemed to have full knowledge and to have made full allowance in respect of all matters whatsoever (including without limitation any local conditions) that may be relevant to the proper performance of its obligations under the contract. The seller shall in no event be entitled to any additional compensation or any modification to any of its obligations under the contract by reason of or in connection with any failure on its part under this clause.

7 Defects

(a) If, on inspection or test, (whether at any time prior to or after delivery) in manufacture or use, any goods are found to be faulty in quality, damaged, defective, or not to comply with these conditions (including goods damaged in transit) the buyer may, at its option (i) reject the whole or any part of the goods in which event any payment previously made therefor shall be refunded to the buyer or (ii) require the seller at its own cost either to replace the goods or to rectify any defect irrespective of where the goods may then be situated or (iii) undertake or procure at the risk and expense of the seller the replacement of the goods or the rectification of any defect irrespective of where the goods may then be situated. The eighteen month period shall in respect of goods replaced or rectified be renewed from the date of such replacement or rectification.

(b) In addition to its remedies under clause 7(a) the buyer shall be indemnified by the seller against all loss, damages, costs, charges, expenses or claims (including without limitation any claims by third parties) arising by reason of any failure of the goods to comply with the contract, whether express or implied by statute, common law, custom or otherwise or by reason of any act or omission of the seller, its servants, agents or sub-contractors in the performance of the contract.

(c) Where the buyer requires the seller to rectify a defect (i) the cost of collecting the goods from and returning them to the buyer shall be borne by the seller (ii) the cost of any additional inspection or testing of the replaced or repaired goods and the cost of any further inspection or testing of other goods as may reasonably be required by the buyer having due regard to the nature of the defect found in the goods being replaced or repaired shall be borne by the seller and (iii) the seller shall pay to the buyer a sum equal to the cost of any additional insurance considered necessary by the buyer.

8 Invoices, Packing slips and Advice notes

A separate invoice showing the buyer's purchase order number must be rendered in duplicate, for each individual consignment.

A packing slip quoting the order number must be sent with all goods or materials to the place of delivery and a duplicate of the packing slip must be posted to the buyer by way of advice note.

9 Certificates and documentation

It is the responsibility of the seller to provide any certificates and documentation requested by the buyer. Unless otherwise agreed with the buyer these should be sent with the goods to the place of destination of the goods as stated in the Purchased Order,

10 Property and equipment of the buyer

All patterns, drawings, dies, tools, jigs and other equipment of the buyer, supplied or paid for by the buyer shall be marked 'Property of Corrpro Companies Europe Limited', and shall remain the buyer's property and be returned to the buyer in good condition upon demand. Such patterns, drawings, dies, tools, jigs and other equipment shall not be

used in production, manufacture or design of any goods other than those contracted for herein pursuant hereto not for larger quantities than those specified.

11 Confidentiality

The seller shall not without the buyer's prior written consent, use or allow the use of any such items of the buyer's property, provided to the seller, for any purpose whatsoever, other than the supply of the goods.

The seller shall not without the buyer's prior written consent disclose or allow the disclosure of any such item or information relating thereto to any person whatsoever save for the purposes of the proper performance of the obligations owed to the buyer by the seller under the contract.

The seller shall upon completion of the contract or earlier at the buyer's request, return to the buyer all and any such items of property or things of the buyer.

The seller shall not publish any information in connection with the contract or the goods supplied hereunder without the prior written consent of the buyer.

The provisions of this clause shall remain in effect notwithstanding any discharge by performance, termination or suspension of the contract, howsoever arising.

12 Exclusive manufacture

The seller will not during the life of the contract by the seller's acceptance of this order or within a period of ten years thereafter: -

- a) manufacture or procure to be manufactured otherwise than for the buyer any goods or equipment to designs, drawings or specification provided by the buyer.
- b) Disclose to any person firm or company any manufacturing process or trade secret in connection therewith or any information relating thereto.

13 Patents and design

The seller warrants that the sale or use of goods hereby ordered or supplied pursuant hereto will not infringe any United Kingdom or foreign patent or intellectual property rights of any third party and undertakes to indemnify the buyer against all judgements, decrees, orders, damages, costs and expenses arising out of any such infringement or alleged infringement including all costs and expenses of an incidental nature to the defence of legal proceedings in connection therewith.

14 Health and safety

It is the responsibility of the Supplier to ensure, so far as is reasonably practicable, the obligations imposed by the Health and Safety at Work Act 1974, on designers, manufacturers, importers, suppliers, erectors and installers of articles or substances for use at work, that such articles and substances are so designed, constructed or installed to be safe and without risk to health

15 Suspension

The buyer shall, by notice in writing to the seller, be entitled to suspend the contract or any part thereof. If the seller shall be delayed in the performance of any of his obligations under the contract by any suspension order (other than a suspension order given by reason of the seller's own breach of the contract) then any additional cost or expense directly and unavoidably incurred by the seller as a result of such order shall be added to the contract price. The buyer, however, shall in no event be liable to the seller for any loss of profit, loss of use or loss of trading revenue, whether arising in connection with or as a result of such suspension or otherwise.

16 Termination

(a) In addition and without prejudice to the buyer's right to terminate the contract or any part thereof under any other provision in these conditions, the buyer shall have the right at its sole discretion to terminate the contract

or any part thereof at any time prior to discharge of the contract by performance by giving notice in writing to the seller under this sub-clause.

(b) The buyer shall have the right to terminate the contract or any part thereof forthwith: (i) if the seller shall be in breach of any of the obligations set out in these conditions or in the Purchase order and (if the breach is capable of being remedied) shall not have remedied such breach to the complete satisfaction of the buyer within seven days (or within such longer period as the buyer may have agreed in writing), after notice thereof in writing (ii) in the event that the seller, not being a body corporate, becomes bankrupt, or compounds or makes any arrangements with his creditors, or commits any act of bankruptcy, or where the seller, being a body corporate, goes into liquidation, whether compulsory or voluntary or has a receiver appointed of its undertaking or assets or any part thereof.

(c) Termination of this contract or any part thereof for any reason shall be without prejudice to the rights and remedies of either party hereto accrued up to and including the date of such termination.

(d) Unless the buyer's termination notice otherwise provides, upon receipt of such notice the seller shall promptly cease any further work (except on any part not terminated by the buyer) and shall instruct its sub-contractors if any, to similarly do so, and shall comply with all reasonable instructions from the buyer in regard to termination.

(e) The seller hereby agrees that notwithstanding anything contained elsewhere in the contract to the contrary, whether expressly or by implication, the seller's sole remedy in the event of termination pursuant to sub-clause a) of this clause is to receive payment from the buyer of (i) such part of the contract price as represents the value of the goods (if any) completed, delivered and accepted in accordance with the contract prior to the date of receipt of such termination notice, less any monies previously received under the contract (ii) any direct costs and expenses reasonably and necessarily incurred by the seller in complying with the provisions of sub-clause (d) of this clause as substantiated to and agreed by the buyer or (iii) in lieu of (i) and (ii) such sum as the buyer and seller may agree as full and final settlement. The buyer, however, shall in no event be liable to the seller for any loss of profits, loss of use or loss of trading revenue, whether arising in connection with or as a result of such termination or otherwise.

17 Force Majeure

If the buyer is prevented from taking delivery of the goods hereby ordered or any part of them by circumstances caused wholly or partly by any act of Parliament, Government regulations, strike, lock-out, fire or other contingency beyond the control of the buyer, the buyer may cancel the whole or the relevant part of the order as the case may be.

18 Liens and claims

The seller shall indemnify and hold the buyer harmless from all liens and other encumbrances against the goods or any property belonging to or in the possession of the buyer on account of debts or claims alleged to be due from the seller or its sub-contractors to any person, including sub-contractors, and on behalf of the buyer and in the buyer's name, as the case may be, shall defend at its own expense any claim or litigation in connection therewith and shall follow any reasonable instructions issued by the buyer in connection therewith.

19 Late delivery

If the goods or any part thereof are not delivered by the due date and/or time, the buyer may at its option and without prejudice to any other rights or remedies it may have, either:

- a) refuse to take delivery of or reject the goods or any part thereof as it may choose, and the buyer shall have no liability for the payment thereof, or
- b) take delivery of and subject to clause 7 keep the goods or any part thereof as it may choose, in which event the seller shall pay to the buyer such Liquidated damages, if any, as may be specified in the Purchase Order or if no Liquidated damages are specified in the purchase order, such sum as the buyer may claim for any costs, losses, damages and expenses suffered or incurred by the buyer as a result of or in connection with such late delivery.

20 No waivers

No failure on the part of the buyer at any time or from time to time to enforce or to require the strict adherence and performance of any of the terms, conditions and provisions of the contract shall constitute a waiver of such terms, conditions or provisions and/or affect or impair such terms, conditions or provisions in any way or the right of the buyer at any time to avail itself of such remedies as it may have for each and every breach of such terms, conditions and provisions.

21 Sub-contracting

The seller will not sub-contract any order or part of an order without the prior written consent of the buyer. Any consent given by the buyer under the foregoing shall not relieve the seller from any obligation or liability under the contract.

22 Legal constructon

The construction validity and performance of all contracts made between the buyer and the seller pursuant to this order shall be governed by English law and the parties agree to submit to the jurisdiction of its courts.