

ELLIOTT BAXTER & COMPANY LIMITED

CONDITIONS OF SALE

The following Standard Conditions of Sale shall govern all transactions except as otherwise specifically agreed in writing by the Buyer and the Seller.

- 1.** Except where inconsistent with these Conditions or with any other terms of contract between the Seller and the Buyer, Paper and Board Trade Customs of the National Association of Paper Merchants, for the time being in force, shall apply to all contracts between the Seller and the Buyer.
- 2.** All quotations and tenders are given by the Seller on condition that the Seller shall not be bound until it has communicated its written acceptance of the Buyer's order.
- 3.** Except where a price is stated to be "fixed" by the Seller on its written acceptance of the Buyer's order any price quoted by the Seller or comprised in the order or contract is provisional only and the actual price to be paid by the Buyer shall be the Seller's price ruling at the date of despatch.
- 4.** (a) Goods invoiced up to and including the last day of a calendar month shall be paid for not later than the last business day of the following month.
(b) If terms of payment are not complied with the Seller shall have the right to charge interest at the current judgement rate in the period between the due date of payment and final settlement.
(c) If the Buyer shall fail to pay any amount when it is due under this or any other contract with the Seller, the Seller shall have the right (without prejudice to any of its other rights against the Buyer) on notice in writing given to the Buyer, to treat the purchase price that is unpaid on all goods invoiced or despatched by the Seller as having become forthwith due and payable by the Buyer and in substitution for the provision contained in sub-clause (a) of this Condition.
- 5.** All prices quoted or accepted are exclusive of VAT and the contract price shall be such prices plus VAT.
- 6.** (a) The Seller shall not be bound by any oral condition, warranty or representation given or made on its behalf nor by any express or implied term, condition or warranty, whether arising by statute, common law or usage, unless confirmed in writing, save and except a warranty that goods sold shall correspond with the contractual description.
(b) Where the goods are sold under a consumer transaction as defined by the Consumer Transactions (Restrictions on Statements) Order 1976 the statutory rights of the Buyer are not affected by these Conditions.
- 7.** The Seller shall have the option (without prejudice to any of its other rights against the Buyer) by notice in writing to the Buyer to rescind any contract between the Seller and the Buyer, or to suspend delivery in the following events:
(i) If any sum owing by the Buyer to the Seller is overdue, whether under the same or any other contract,
(ii) If the Buyer is in breach of any term of the same or any other contract with the Seller,
(iii) If the Buyer makes any voluntary arrangement with its creditors, or becomes subject to an administration order or (if an individual or firm) becomes bankrupt or (being a company) goes into liquidation (other than for the purposes of amalgamation or reconstruction) or if a Receiver is appointed of its undertaking property assets or any part thereof.
- 8.** (a) If no time for delivery is specified in the contract, the Buyer shall be bound to accept the goods when they are ready for delivery by the Seller.
(b) The risk in goods shall pass to the Buyer when the goods (or any part thereof when there is more than one delivery under the contract) are delivered to the Buyer, or in accordance with his instruction.
(c) Where the contract involves more than one delivery, if default is made in payment on the due date in respect of any one delivery, the Seller shall at its option and with out prejudice to any rights it may have hereunder or otherwise, be entitled to treat the contract as repudiated and to claim damages accordingly. Each delivery will constitute a separate contract and any failure or defect in any one delivery will not vitiate the contract as to the remaining deliveries.
(d) Any time or date for delivery named by the Seller is an estimate only and the Seller shall not accept liability for any loss or damage or any consequential loss arising either directly or indirectly from reasonable delay in delivery however caused.

(e) Any complaint of short delivery or of goods damaged in transit must be notified within 24 hours of receipt of the goods and confirmed in writing at that time by the Buyer to the Seller and any complaint of failure to deliver goods invoiced must be so notified within 10 days of the date of the invoice.

9. a) Property and title in and to the Goods shall remain with the Seller as legal owner as the Seller's sole and absolute property until such time as the Buyer shall have paid to the Seller:

(i) the price for the Goods plus VAT in full and any interest and charges relating thereto, and (ii) paid all other sums due to the Seller from the Buyer (whether under any Contract or otherwise).

b) The Buyer shall hold the Goods and each of them on a fiduciary basis as bailee for the Seller until all sums are paid in accordance with Clause 9(a) and property in the Goods passes to the Buyer.

c) Until all sums are paid by the Buyer to the Seller under all Contracts or otherwise in accordance with Condition 9(a) and property in the Goods has passed to the Buyer:

(i) The Buyer shall store the Goods separately from other goods in its possession and marked in a manner which makes them readily identifiable as the Goods of the Seller;

(ii) notwithstanding that the Goods (or any of them) remain the property of the Seller the Buyer may use or sell the Goods in the ordinary course of its business at full market value and the Buyer shall hold on behalf of the Seller such part of the proceeds of sale of the Goods as represent the amount owed by the Buyer to the Seller and the Buyer shall account to the Seller accordingly. Any such sale of or dealing in the Goods shall be a sale or use of the Seller's property by the Buyer on the Buyer's behalf and the Buyer shall deal as agent when making such sales or dealings;

(iii) The entire proceeds of sale or otherwise of the Goods shall be held on trust for the Seller and shall not be mixed with other money or paid into an overdrawn bank account and shall at all material times be identified as the seller's money;

(iv) If the Buyer is in breach of its payment obligations under these Conditions, the Buyer shall permit any officers, employee, representatives or agents of the Seller to enter, with or without vehicles on to the Buyer's premises or other sites where the Goods are located and to inspect and/or repossess the Goods.

d) Until all sums are paid by the Buyer to the Seller under all Contracts, the Buyer's right to possession of the Goods and the Buyer's right to resell or otherwise deal in the Goods shall automatically cease if any of the events referred to in Clause 7(iii) should occur. In such circumstances and only to the extent that the Buyer fails to pay any sums due to the Seller by the Due Date of Payment, the seller shall be entitled to repossess any or all of the Goods in respect of which title has not passed as aforesaid and for the purpose of recovery of such Goods shall be entitled to enter upon any premises where they are stored or where they are reasonably thought to be stored. The Buyer will assist and allow the Seller to repossess the Goods as aforesaid and for this purpose, will admit or procure the admission of the Seller or its employees and agents or other representatives to the premises in which the Goods are situated.

10. (a) Unless expressly agreed in writing, the Seller gives no warranty that the goods are suitable for any particular purpose or for use under any specific conditions, notwithstanding that such purpose or conditions may be known to the Seller.

(b) Claims in respect of any alleged defect in the goods delivered which would have been revealed by reasonable examination on arrival, must be made in writing within 14 days after delivery, or if related to the transport of the goods, within such time as will enable the Seller to comply with the time limit and procedure laid down by the carrier by whom the goods were transported. If the Buyer shall make any complaint within the time stipulated, the Seller shall after it has had a reasonable time to investigate the same and examine the goods in dispute and if the goods are found to be defective, be entitled at its option:

(i) To replace the goods, or

(ii) To accept the return of the goods and credit the Buyer with the price thereof, or

(iii) To make to the Buyer an allowance representing the difference between the value of the goods at the time of the complaint and the value they would have had if they had been in accordance with the contract providing the Buyer pays the balance not in dispute according to normal terms.

(c) The return of goods shall not be made without prior agreement between the Buyer and the Seller. No claim by the Buyer can be entertained after the goods or any parts thereof have been processed in any way.

11. (a) Every effort is made to ensure that the goods meet known statutory requirements and do not infringe any patents or trademarks of third parties, but no warranty is given that the design construction or quality of the goods comply with relevant requirements of any Statute, statutory rule, order or other instrument having the force of law which may be in force at the time of supply.

(b) The Buyer shall indemnify the Seller against all damages, penalties, costs and expenses to which the Seller may become liable as a result of work done in accordance with the Buyer's specification which involves the infringement of any industrial property rights whether registered or not.

12. Except as otherwise expressly mentioned in these Conditions, the Seller shall have no liability of any kind to the Buyer in respect of any loss or damage (whether direct, indirect or consequential) suffered by the Buyer, whether in contract or tort or otherwise and, whether for loss or damage to property or for death or bodily injury or otherwise in respect of any goods supplied or work done by the Seller. The Buyer shall indemnify the Seller against any claim by a third party arising out of any goods supplied to or work done for the Buyer.

13. No forbearance or indulgence by the Seller shown or granted to the Buyer, whether in respect of these Conditions or otherwise shall in any way affect or prejudice the rights of the Seller against the Buyer or be taken as a waiver of any of these Conditions.

14. The performance of all contracts is subject to variation or cancellation by the Seller owing to circumstances beyond its control including, without limitation, any act of God, war, strikes, lock-outs, other industrial disputes, Governmental regulations or orders, national emergencies, fire, adverse weather conditions or lack of raw materials and the Seller shall not be held responsible for any inability to deliver caused by any such contingency.

15. By ordering any goods from the Seller, the Buyer shall be deemed to accept these Conditions which take precedence over any other conditions contained in any letter, order or acceptance form, receipt or the like of the Buyer and any other conditions or provisions in connection with the goods and any such other conditions or provisions will not form part of the Contract between the Seller and the Buyer unless specifically agreed in writing.

16. These Conditions shall be governed by and construed in accordance with the Laws of England.