

**From: TUFNOL COMPOSITES LIMITED, WELLHEAD LANE,
PERRY BARR, BIRMINGHAM B42 2TB**

Tel: No. 0121 356 9351 Fax No. 0121 331 4235 Email: sales@tufnol.co.uk

TUFNOL Composites Ltd Conditions of Sale

- 1. DEFINITIONS** In these Conditions (1) "the Purchaser" means the individual or individuals or incorporated or unincorporated body with which Tufnol Composites Ltd., contracts subject to these Conditions. (2) "Contract" means the contract made or to be made between Tufnol Composites Ltd, and the Purchaser subject to these Conditions. (3) "Goods" means the articles or things (if any) and "Services" means the services (if any) which are the subject matter of the contract.
- 2. GENERAL** All contracts shall incorporate the following terms and conditions which prevail over any inconsistent terms and conditions contained in the Purchaser's order form, correspondence or otherwise. Tufnol Composites Ltd., shall not be bound by any variation or waiver of, or addition to these conditions unless agreed in writing by a duly authorised servant, employee or Director of Tufnol Composites Ltd.
- 3. VALIDITY** Any tender submitted by Tufnol Composites Ltd., is an invitation to treat not an offer. The placing of an order by the Purchaser in accordance with the terms of the tender, or without the submission of a tender shall constitute an offer by the Purchaser and the Contract shall be effected if and only if such offer is accepted in writing by Tufnol Composites Ltd. However, such a tender shall only be open for the making of an offer within the period stated therein or where no period is specified within 30 days from the date thereof.
- 4. PRICE AND V.A.T.** (a) The price at which any offer is accepted shall be available only for deliveries made within 60 days of the date of acceptance provided that Tufnol Composites Ltd., shall have the right to vary the price within such period in the event of unforeseen rises in the cost of raw materials and/or labour. Thereafter the price will be that ruling at the date of despatch. (b) All prices quoted are subject to the addition of Value Added Tax at the rate ruling at the appropriate tax point.
- 5. PROVISION OF INFORMATION AND SAMPLES** The offer must be accompanied by sufficient information to enable Tufnol Composites Ltd., (if it accepts the same) to proceed with the order forthwith. If any delay in manufacture or delivery should take place, due or partly due to the Purchaser's failure to provide such information Tufnol Composites Ltd., shall in addition to its other rights in respect thereof be at liberty at any time to amend the price to cover any increases which have taken place after acceptance. Any samples submitted must be returned to Tufnol Composites Ltd., works, carriage paid within one month from the date of submission or paid for.
- 6. DRAWINGS ETC.** All descriptive and shipping specifications, drawings and particulars of weights and dimensions which may be submitted with any tender are approximate only and the descriptions and illustrations contained in Tufnol Composites Ltd., catalogues, price lists and other sales promotion matter are intended merely to present a general idea of the goods described therein and none of these shall form part of the Contract.
- 7. LIMITS OF CONTRACT** Any tender submitted by Tufnol Composites Ltd., includes only such goods, accessories and work as are specified therein.
- 8. PACKING** Where packing cases are necessary they will be charged at cost and invoiced at the same time as the Goods. If these packing cases are returnable this will be stated on the invoice and a credit note will be issued after the case has been returned at the Purchaser's expense and received in good condition at Tufnol Composites Ltd's., Works.
- 9. QUANTITIES** The price tendered is for the stated amount only and does not hold good for lesser quantities. Every endeavour will be made to deliver the correct quantity ordered but no delivery shall be treated as defective by reason of a shortage or surplus not exceeding 10%. All tenders for goods to be delivered from stock are subject to those goods being unsold on receipt of the Purchaser's offer.
- 10. TOOLS** (a) Unless otherwise agreed the Purchaser shall pay for all tools necessary to the production of the Purchaser's Order and all replacements thereof but such tools shall be and remain the property of Tufnol Composites Ltd. (b) The Purchaser shall bear all maintenance

costs with respect to such tools. (c) Tufnol Composites Ltd., reserve the right to destroy any tools manufactured by them which have not been used for a period of 3 years on giving the Purchaser three months Notice in writing.

11. EXTRA COST In the event of variation or suspension of work by the Purchaser's instructions or lack of instructions the contract price shall be adjusted to cover any increases thereby incurred by Tufnol Composites Ltd. Such extra cost will include cost of storage of Goods if Tufnol Composites Ltd's storage facilities permit otherwise the Purchaser shall forthwith either take delivery or arrange for storage.

12. DELIVERY (a) Carriage - Unless otherwise stated in Tufnol Composites Ltd's tender all costs of carriage shall be charged to and payable by the Purchaser. (b) Damage, shortage or loss - Tufnol Composites Ltd., will not accept any responsibility for damage shortage or loss in transit unless – (i) Tufnol Composites Ltd., and the carriers are notified in writing of such damage shortage or loss within two days of delivery. (ii) When the Goods have not been delivered, Tufnol Composites Ltd., and the carriers are notified within ten days of the date of Tufnol Composites Ltd's Invoice. (iii) Where delivery is made by Tufnol Composites Ltd's transport, Tufnol Composites Ltd., are notified in writing of any damage, shortage or loss within five days after receipt of the Goods. Subject to the above Tufnol Composites Ltd., will repair or replace free of charge Goods lost or damaged in transit. (c) Delivery shall be deemed to take place when the Goods are delivered to the Purchaser's premises by Tufnol Composites Ltd., or its carrier or when the Goods are collected by the Purchaser as the case may be.

13. NEW CUSTOMERS In the case of new customers Tufnol Composites Ltd., reserve the right to delay manufacture and or delivery of the Goods until Tufnol Composites Ltd., have been provided with satisfactory proof of credit worthiness or have received payment against a pro-forma invoice.

14. DESPATCH The times or dates quoted for despatch shall not be of the essence, are to be treated as estimates only and will date from Tufnol Composites Ltd's acceptance of the Purchaser's offer or if later the date when all necessary information and drawings are available to enable Tufnol Composites Ltd., to put the order in hand. Tufnol Composites Ltd., will attempt to despatch by the date given but will accept no responsibility for failure to do so unless a guarantee shall have been given in writing by a duly authorised officer of Tufnol Composites Ltd., under an agreed sum (as liquidated damages) for late despatch and the Purchaser has suffered loss by reason of the late despatch. Should despatch be hindered or delayed by instructions or lack of instructions or by any cause whatsoever beyond Tufnol Composites Ltd's reasonable control then a reasonable extension of time for despatch shall be granted in every case.

15. CONSIGNMENTS Each consignment shall be considered a separate transaction and the failure or delay of any one delivery shall not affect the due performance of the Contract as regards other deliveries.

16. PERFORMANCE Any performance figures given by Tufnol Composites Ltd., are based on experience and are such as Tufnol Composites Ltd., expect to obtain on test. Tufnol Composites Ltd. however, accept no liability if these figures are not obtained unless they are specifically guaranteed in writing by a duly authorised officer of Tufnol Composites Ltd., under an agreed sum (as liquidated damages) and a bonus subject to the recognised tolerances and rejection limits applicable to such figures. Tufnol Composites Ltd., are to be given reasonable time and opportunity to comply with the terms of any such guarantee before being called upon to pay any sum in respect of such liquidated damages. If Tufnol Composites Ltd., fail to comply the Purchaser may reject the Goods and Tufnol Composites Ltd., will repay to the Purchaser any sum paid by the Purchaser to Tufnol Composites Ltd., on account of the contract price thereof and any sum that may have accrued to the Purchaser in respect of agreed liquidated damages under this clause or under Clause 14 up to the date of such rejection. The Purchaser assumes responsibility for the capacity and performance of the Goods being sufficient and suitable for his purpose. In particular (but without prejudice to the generality of the foregoing) the Goods are not intended to come into contact with foods and the Purchaser must not use the Goods in any application where they may come into contact with food, unless written notice has been given to Tufnol Composites Ltd. prior to Tufnol Composites Ltd's acceptance of the Purchaser's offer and Tufnol Composites Ltd., expressly agrees in writing to provide Goods which are intended to come into contact with

food. If Tufnol Composites Ltd., does agree to supply Goods which are intended to come into contact with food the purchaser must secure that any special conditions specified by Tufnol Composites Ltd., are observed at all times while the Goods are being used and will indemnify Tufnol Composites Ltd., and its employees and agents against all and any claims for damages, costs expenses and losses which it and/or they may incur as a result of any failure to comply with any such Conditions.

17. GUARANTEE (a) Tufnol Composites Ltd's liability is limited to repairing or replacing any Goods which show defects arising solely from faulty materials and/or workmanship provided always – (i) That notification giving full particulars of such claim shall have been received by Tufnol Composites Ltd., within two months of delivery of the Goods in respect of which such claim arises. (ii) That any Goods which the Purchaser may claim to reject shall be returned to Tufnol Composites Ltd., within ten days after such notification for inspection by Tufnol Composites Ltd., and repair or replacement as Tufnol Composites Ltd., deems necessary. (iii) That Tufnol Composites Ltd's liability under this clause shall in no circumstances exceed the ex works price of the Goods. (iv) That in default of such notification being received and the Goods returned in accordance with sub-clause (i) and (ii) hereof all Goods delivered shall be deemed to comply with the terms of the Contract or any agreed variations thereof and be in all respects satisfactory. (v) That in the case of Goods not manufactured by Tufnol Composites Ltd., the Purchaser will be entitled only to such benefits as Tufnol Composites Ltd., may receive under any guarantee given to Tufnol Composites Ltd., in respect thereof. (vi) That for the purpose of sub-clause (i) and (ii) hereof time shall be deemed to be the essence of the Contract. (b) This guarantee is given in place of all warranties conditions statements and liabilities whatsoever implied by common law statute trade usage or otherwise all of which shall accordingly be excluded. Furthermore Tufnol Composites Ltd., and its servants and agents shall not be liable for any injury or loss or damage whatsoever whether direct, consequential or special and howsoever caused resulting from or arising out of or incidental to - (i) Tufnol Composites Ltd's performance of or failure to perform its obligations under the Contract whether express or implied or (ii) any defect in the Goods or (iii) any advice given or Services supplied by Tufnol Composites Ltd., or on its behalf in relation to the assembly installation or use of the Goods.

18. PAYMENT The Purchaser shall make payment in full within thirty days following the date appearing on Tufnol Composites Ltd's invoice. Interest at the yearly rate of 2% over the base rate for the time being and from time to time of the Lloyds Bank plc will be charged on a daily basis on all monies outstanding after the due date until the actual date of payment (as well after judgement as before) (and any discount referred to in the quotation, correspondence and/or elsewhere will not be allowed to the Purchaser.)

19. DISPUTES AND SET OFF The Purchaser shall not be entitled to withhold payment of any sums due to Tufnol Composites Ltd under the Contract or any other contract because of any claim of the Purchaser in respect of any alleged breach of the Contract or any other contract.

20. SUSPENSION OR CANCELLATION OF DELIVERIES AND LIEN If the Purchaser shall fail to pay to Tufnol Composites Ltd., on the due date any sum payable under the Contract or any other contract with Tufnol Composites Ltd., or make default in or commit a breach of the Contract or any other contract with Tufnol Composites Ltd., or any other of the Purchaser's obligations to Tufnol Composites Ltd., or the Purchaser shall commit or suffer one or more of the following namely the passing of a resolution or the presentation of a petition for winding-up, the presentation of a petition for the appointment of an administrator, the appointment of a receiver and/or manager or administrative receiver over the whole or any part of its undertaking and assets, the making of a proposal for a voluntary arrangement within Part 1 Insolvency Act 1986 or a proposal for any other composition scheme or arrangement with or the calling by it of any meeting of its creditors generally, the levying of execution or distress or diligence on any of its assets, the failure to pay its proper debts as and when due, any of those acts formerly defined as "acts of bankruptcy" by section 1(1) of the Bankruptcy Act 1914 for the purposes of that Act, the presentation of a petition in respect of a bankruptcy an application for an interim order in connection with any proposals for a voluntary arrangement of its affairs, anything analogous to pay of the foregoing under the law of any jurisdiction, Tufnol Composites Ltd., shall be entitled without prejudice to its other rights and remedies - (a) at Tufnol Composites Ltd's option either to terminate wholly

or in part any or every contract between Tufnol Composites Ltd., and the Purchaser or to suspend any further performance or every such contract and (b) to a general lien on all goods of the Purchaser in Tufnol Composites Ltd's possession (although such goods or some of them may already have been paid for) for the unpaid price of any Goods sold and delivered to and any Service performed for the Purchaser by Tufnol Composites Ltd., under any such contract.

21. PASSING OF PROPERTY (a) The risk in the Goods shall pass to the Purchaser on delivery and the Purchaser is recommended to take out insurance cover for the Goods from the moment delivery takes place. (b) Until full payment has been received by Tufnol Composites Ltd., for all Goods whatsoever supplied (and all Services rendered) at any time by Tufnol Composites Ltd., to the Purchaser (i) the Goods shall remain the property of Tufnol Composites Ltd., and the Purchaser shall hold the Goods as bailee for Tufnol Composites Ltd and shall keep the Goods in such a way that they are readily identifiable as the property of Tufnol Composites Ltd., and shall keep the same properly stored, protected and insured and separate from all or any other goods whether belonging to the Purchaser or any third party; and (ii) should the Purchaser convert the Goods (or any of them) into a new product whether or not such conversion involves the admixture of any other goods or thing whatsoever and in whatever proportions the conversion shall be effected by the Purchaser solely as Agent for Tufnol Composites Ltd., who shall have the full legal and beneficial ownership of the new product and it shall be stored as set out in 21(b) (i) (iii) Subject to (iv) and (v) below the Purchaser shall be at liberty to sell the Goods and the new products referred to in (ii) above in the ordinary course of business on the basis that the proceeds of sale shall belong to Tufnol Composites Ltd., to whom the Purchaser shall account on demand and shall keep all such proceeds separate from any moneys or property of the Purchaser and third parties and in the case of tangible proceeds properly stored, protected and insured; provided that the Customer shall have no authority to enter into any contract of sale or other contract on behalf of the Company and any such contract shall accordingly be concluded in the name of the Customer. (iv) Tufnol Composites Ltd., may at any time revoke the Purchaser's Power of Sale by Notice to the Purchaser if the Purchaser is in default for longer than 7 days in the payment of any sum whatsoever due to Tufnol Composites Ltd., (whether in respect of the Goods or any other goods supplied or Services rendered at any time by Tufnol Composites Ltd., to the Purchaser) or for any other reason whatsoever or if any Bill of Exchange cheque or other negotiable instrument drawn or accepted by the Purchaser in favour of Tufnol Composites Ltd., is dishonoured on presentation for payment or if Tufnol Composites Ltd., has bona fide doubt as to the solvency of the Purchaser. (v) The Purchaser's power of sale shall automatically cease if the Purchaser shall commit or suffer any Act of Insolvency as defined in Condition 20 above. (vi) Upon determination of the Purchaser's power of sale under (iv) or (v) above the Purchaser shall place the Goods and the new products at the disposal of Tufnol Composites Ltd., and Tufnol Composites Ltd its servants or agents are hereby irrevocably authorised without the consent of any third party using only such force as may be necessary to enter upon any premises of the Purchaser for the purpose of removing such Goods and new products and to remove such Goods and new products from the premises (including severance from the realty where necessary). (c) Where payment is made by means of a Bill of Exchange cheque or other negotiable instrument Tufnol Composites Ltd., shall be deemed not to have received payment for the purpose of sub-clause (b) until such Bill of Exchange cheque or other instrument has been honoured on presentation for payment notwithstanding that Tufnol Composites Ltd., may have negotiated it and received value therefor.

22. ARBITRATION If at any time any question, dispute or difference whatsoever shall arise between the Purchaser and Tufnol Composites Ltd., upon, in relation to or in connection with the Contract either party may give the other notice in writing of the existence of such a question dispute or difference and the same shall be referred to the arbitration of a person mutually agreed upon or failing agreement of some person appointed by The Director of the British Plastics Federation. The submission shall be deemed to be a submission to arbitration within the meaning of the Arbitration Act 1950 or any statutory modification or re-enactment thereof for the time being in force.

23. LEGAL CONSTRUCTION The Contract shall in all respects be governed by and construed in accordance with English Law and it is irrevocably agreed for the exclusive benefit of Tufnol Composites Ltd., that the Courts of England are to have jurisdiction to settle

any disputes which may arise out of or in connection with the Contract and that accordingly any suit, action or proceeding arising out of or in connection with the Contract (in the Clause referred to as "Proceedings") may be brought in such Courts. Nothing in this Clause shall limit the right of Tufnol Composites Ltd., to take Proceedings against any other party hereto in any other Court of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

24. WAIVER Tufnol Composites Ltd's rights under the Contract are to be unaffected by any Waiver or Forbearance and any Waiver in respect of one breach is not to be construed as a Waiver in respect of subsequent breaches.

25. CLAUSE HEADINGS The clause headings in these conditions are included for convenience only and shall not affect the interpretation hereof in any way whatsoever.

26. Where the Goods are to be manufactured or any process is to be applied to the Goods by Tufnol Composites Ltd., in accordance with a specification submitted by the Purchaser, the Purchaser shall (without prejudice to the other rights and remedies of Tufnol Composites Ltd) indemnify Tufnol Composites Ltd., in full against all loss, costs, damages, charges, expenses and other liabilities awarded against or incurred by Tufnol Composites Ltd., as a result of or in connection with:- any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person and/or for passing off and/or unauthorised use of confidential information which results from Tufnol Composites Ltd's use of the Purchaser's specifications; any other liability of any kind to any third party including without limitation for defective Goods, personal injury or death to the extent that it arises from the specification.

27. The Contract is personal to the Purchaser, who shall not assign or in any way part with the benefit thereof without Tufnol Composites Ltd's prior written consent. Each and every obligation contained in these conditions shall be treated as a separate obligation and shall be severally enforceable as such notwithstanding time non-enforceability of any other such obligation. Save as provided in these conditions the conditions and the Contract shall not create or evidence, or be deemed to create or evidence, any agency or partnership between Tufnol Composites Ltd., on the one hand and the Purchaser or any third party in the other.

28. EXPORT TERMS (a) In these Conditions 'Incoterms' means the international rules for interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made. Unless the context otherwise requires, any term or expression which is defined in or given a particular meaning by the provisions of Incoterms shall have the same meaning in these conditions, but if there is any conflict between the provisions of Incoterms and these conditions, the latter shall prevail. (b) Where the Goods are supplied for export from the United Kingdom, the provisions of this clause shall (subject to any special terms agreed in writing between Tufnol Composites Ltd., and the Purchaser) apply notwithstanding any other provision of these conditions. (c) Unless otherwise agreed in writing between Tufnol Composites Ltd., and the Purchaser, the Goods shall be Ex Works and the Company shall be under no obligation to give notice under section 32 (3) of the Sale of Goods Act 1979. (d) The Purchaser shall be responsible for arranging for testing and inspection of the Goods at Tufnol Composites Ltd's premises before shipment. Tufnol Composites Ltd shall have no liability for any claim in respect of any defect in the Goods which would be apparent on testing or inspection and which is made after shipment, or in respect of any damage during transit. (e) Payment of all amounts due to Tufnol Composites Ltd., shall be made by irrevocable letter of credit opened by the Purchaser in favour of Tufnol Composites Ltd., and confirmed by a bank in London acceptable to Tufnol Composites Ltd.