



WILLIAM G. SEARCH LIMITED

CONDITIONS OF PURCHASE

- 1. INTERPRETATION:** THE DEFINITIONS AND RULES OF INTERPRETATION IN THIS CONDITION APPLY IN THESE CONDITIONS.

Company: William G Search Limited of Market Works, Whitehall Road, Leeds LS12 6EP.

Contract: the Order and the Seller's acceptance of the Order.

Goods: any goods agreed in the Contract to be bought or hired by the Company from the Seller (including any part or parts of them).

Order: the Company's written instruction to supply the Goods, incorporating these conditions.

Seller: the person, firm or company who accepts the Company's Order.

- 1.1 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it. A reference to one gender includes a reference to the other gender. Condition headings do not affect the interpretation of these conditions.

2. APPLICATION OF TERMS

- 2.1 Subject to any variation under condition 2.3, these conditions are the only conditions upon which the Company is prepared to deal with the Seller and they shall govern the Contract to the entire exclusion of all other terms or conditions.
- 2.2 Each Order for Goods by the Company from the Seller shall be deemed to be an offer by the Company to buy Goods subject to these conditions and no Order shall be accepted until the Seller either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part accepts the offer.
- 2.3 No terms or conditions endorsed upon, delivered with or contained in the Seller's quotation, acknowledgement or acceptance of order, specification or similar document shall form part of the Contract and the Seller waives any right which it otherwise might have to rely on such terms and conditions. These conditions apply to all the Company's purchases and any variation to these conditions shall have no effect unless expressly agreed in writing and signed by a Board Director of the Company.

3. QUALITY AND DEFECTS

- 3.1 The Goods shall be of the best available design, of the best quality, material and workmanship, be without fault and conform in all respects with the Order and specification supplied or advised by the Company to the Seller.
- 3.2 At any time prior to delivery of the Goods to the Company the Company may inspect and test the Goods. If as a result the Company consider the Goods do not conform/are unlikely to conform to the Order or specification advised by the Company to the Seller, the Company shall inform the Seller who shall immediately take such action as necessary to ensure conformity, the Company may require further testing and inspection. If any of the Goods fail to comply with the provisions set out in condition 3 the Company shall be entitled to avail itself of any remedies listed in condition 11.

SEARCH

WILLIAM G. SEARCH LIMITED

4. INDEMNITY

The Seller shall keep the Company indemnified in full against all direct and indirect loss (which both include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss, damages, injury, costs and expenses (including reasonably incurred legal and other professional fees and expenses) awarded against or incurred or paid by the Company as a result of or in connection with:

- (a) defective workmanship or quality of materials or incorrect materials supplied or damage to Company property;
- (b) an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods; and
- (c) any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by the Company's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Seller.

5. DELIVERY

- 5.1 The Goods shall be delivered, carriage paid, to the Company's place of business or to such other place of delivery as is agreed by the Company in writing prior to delivery of the Goods. The Seller shall off-load the Goods at its own risk as directed by the Company. The date for delivery shall be specified in the Order, or if no such date is specified then delivery shall take place within 28 days of the Order.
- 5.2 The Seller shall invoice the Company upon, but separately from, despatch of the Goods to the Company. The Seller shall ensure that each delivery is accompanied by a delivery note which shows, inter alia, the Order number, date of Order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered. Time for delivery shall be of the essence.
- 5.3 Unless otherwise stipulated by the Company in the Order, deliveries shall only be accepted by the Company in normal business hours.
- 5.4 If the Goods are not delivered on the due date then, without prejudice to any other rights which it may have, the Company reserves the right to:
 - (a) cancel the Contract in whole or in part;
 - (b) refuse to accept any subsequent delivery of the Goods which the Seller attempts to make;
 - (c) recover from the Seller any expenditure reasonably incurred by the Company in obtaining the Goods in substitution from another supplier; and
 - (d) claim damages for any additional costs, loss or expenses incurred by the Company which are in any way attributable to the Seller's failure to deliver the Goods on the due date.
- 5.5 Where the Company agrees in writing to accept delivery by instalments the Contract shall be construed as a single contract in respect of each instalment. Failure by the Seller to deliver any one instalment shall entitle the Company at its option to treat the whole

SEARCH

WILLIAM G. SEARCH LIMITED

Contract as repudiated. If the Goods are delivered to the Company in excess of the quantities ordered the Company shall not be bound to pay for the excess and any excess shall be and remain at the Seller's risk and returnable at the Seller's expense.

- 5.6 The Company shall not be deemed to have accepted the Goods until it has had 14 days to inspect them following delivery. The Company shall also have the right to reject the Goods as though they had not been accepted for 14 days after any latent defect in the Goods has become apparent. The Goods shall remain at the risk of the Seller until delivery to the Company is complete (including off-loading and stacking) when ownership of the Goods shall pass to the Company.

6. PRICE

- 6.1 The price of the Goods shall be stated in the Order and unless otherwise agreed in writing by the Company shall be exclusive of value added tax but inclusive of all other charges. No variation in the price or extra charges shall be accepted by the Company.

7. PAYMENT

- 7.1 The Company shall pay the price of the Goods within 60 days of the end of the month of delivery of the Goods to the Company, but time for payment shall not be of the essence of the Contract.
- 7.2 Without prejudice to any other right or remedy, the Company reserves the right to set off any amount owing at any time from the Seller to the Company against any amount payable by the Company to the Seller under the Contract.
- 7.3 If any sum under the Contract is not paid when due, without prejudice to the parties' other rights under the Contract, that sum shall bear interest from the due date until payment in full, at 3% per annum over Barclays Bank base rate from time to time. The Seller is not entitled to suspend deliveries of the Goods as a result of any sums being outstanding.

8. CONFIDENTIALITY

The Seller shall keep in strict confidence all technical or commercial know-how, specifications, inventions or processes which are of a confidential nature and have been disclosed to the Seller by the Company/its agents and any other confidential information concerning the Company's business or its products which the Seller may obtain, the Seller shall restrict disclosure of such confidential material to employees, agents or sub-contractors as need to know the same for the purpose of discharging the Seller's obligations to the Company and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality as bind the Seller.

9. THE COMPANY'S PROPERTY

Materials, equipment, tools, dies, moulds, copyright, design rights or any other forms of intellectual property rights in all drawings, specifications and data supplied by the Company to the Seller or shall at all times be and remain the exclusive property of the Company but shall be held by the Seller in safe custody at its own risk and maintained and kept in good condition by the Seller until returned to the Company and shall not be used for any other purpose or disposed of unless authorised by the Company in writing.

SEARCH

WILLIAM G. SEARCH LIMITED

10. TERMINATION

- 10.1 The Company shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Seller written notice whereupon all work on the Contract shall be discontinued, the Company shall pay the Seller fair and reasonable compensation for work-in-progress at the time of termination such compensation shall not include loss of anticipated profits or any consequential loss.
- 10.2 The Company shall have the right at any time by giving notice in writing to the Seller to terminate the Contract forthwith if:
- (a) the Seller commits a material breach of any of the terms and conditions of the Contract; or
 - (b) any distress, execution or other process is levied upon any of the assets of the Seller; or
 - (c) the Seller goes into liquidation or bankruptcy whether compulsory or voluntary or if an administrator or receiver is appointed (or notice of a proposed appointment is provided) over the whole or any part of the sellers assets or documents are filed with the court for the appointment of an administrator of the Seller or if the Seller enters in to any arrangement for the benefit of or compounds with its creditors generally or threatens to do any of these things or any judgment is made against the Seller or any similar occurrence under any jurisdiction affects the Seller, or the Seller convenes a meeting of creditors (whether formal or informal), or
 - (d) the Seller ceases or threatens to cease to carry on its business; or
 - (e) the financial position of the Seller deteriorates to such an extent that in the opinion of the Company the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy.
- 10.3 The termination of the Contract, however arising, shall be without prejudice to the rights and duties of the Company accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.

11. REMEDIES

If any Goods are not supplied in accordance with, or the Seller fails to comply with, any of the terms of the Contract the Company shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods have been accepted by the Company:

- (a) to rescind the Order;
- (b) to reject the Goods (in whole or in part) and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller;
- (c) at the Company's option to give the Seller the opportunity at the Seller's expense either to remedy any defect in the Goods or to supply replacement Goods and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;

SEARCH

WILLIAM G. SEARCH LIMITED

- (d) to refuse to accept any further deliveries of the Goods but without any liability to the Seller;
- (e) to carry out at the Seller's expense any work necessary to make the Goods comply with the Contract; and
- (f) to claim such damages as may have been sustained in consequence of the Seller's breach or breaches of the Contract.

12. ASSIGNMENT

- 12.1 The Seller shall not be entitled to assign the Contract or any part of it without the prior written consent of the Company. The Company may assign the Contract or any part of it to any person, firm or company.

13. FORCE MAJEURE

The Company reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of the Goods ordered if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (which cannot be reasonably avoided and whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.

14. GENERAL

- 14.1 Each right or remedy of the Company under the Contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.
- 14.2 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 14.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract. Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Seller shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.
- 14.4 The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.
- 14.5 The formation, existence, construction, performance, validity and all aspects of the Contract shall be governed by English law and the parties submit to the exclusive jurisdiction of the English courts.