

TERMS & CONDITIONS OF PURCHASE

1. DEFINITIONS

In these conditions: "Buyer" means the British Rototherm Company Ltd.; "Seller" means the person, business, company, or other body corporate to whom the Order is addressed;

"Goods" means the products, services or, other matter which forms the subject matter of this Order and includes all incorporeal rights contained therein;

"Order" means the offer to purchase the Goods of the Seller made by the Buyer upon the conditions contained herein and the Order shall be deemed to be made upon the Buyer's sending of this Purchase Order by post, e-mail, facsimile or otherwise.

2. COMPLETE AGREEMENT

Acceptance of this Order shall be deemed to constitute acceptance of these conditions. Any inconsistent conditions to which the Seller's quotation or acceptance of this Order are subject are hereby expressly excluded. No variation from instructions will be accepted without prior written authority of the Buyer. The Buyer will not accept any fees, charges or other demands except those known to the Buyer at the time of Order.

3. QUANTITY AND QUALITY

The Buyer reserves the right to reject Goods or any part of the Goods thereof, if the Goods and/or packaging fail to comply with one or more of the following conditions:

- a) The Goods shall comply in all respects to the description, specification, quantities, drawings or other instructions contained in the Order or any other communication to the Seller;
- b) The Goods shall be of merchantable quality and free from defect;
- c) The Goods shall be safe for the use to which the Goods may reasonably be put, or any other purpose mentioned in the Order or which may have otherwise been brought to the attention of the Seller;
- d) The Goods shall be free from any undisclosed encumbrances or charges. The Seller agrees that all encumbrances and charges of whatever nature shall be made known to the Buyer prior to acceptance of this Order and that the Buyer shall not be required to conduct any searches or enquiries in respect of the Seller or the Goods;
- e) The Goods shall comply with all national and international standards relevant to the Goods;
- f) The Goods shall where appropriate be supplied with all relevant documentary evidence including but not limited to proof of title to the Goods, quality compliance with statutory or non-statutory standards.

4. REJECTION

If Goods are rejected in entirety or in part under the provisions of this Order or by legal right the Seller agrees to indemnify the Buyer for all damage, costs, inconvenience and other consequential loss caused to the Buyer by rejecting the Goods or part thereof. The Buyer may elect to accept the Goods and the Seller agrees in such circumstance to indemnify the Buyer for all damage, costs, inconvenience and other consequential loss caused.

5. DELIVERY

Time is of the essence in this Order. Failure to comply with the specified delivery date or failure to deliver within a reasonable time if no such date has been specified shall relieve the Buyer of any obligation to accept or pay for the Goods. In such a circumstance the Seller agrees to indemnify the Buyer for all damage, costs, inconvenience and other consequential loss caused to the Buyer. Date of delivery is calculated from date of instructions to proceed.

6. PROPERTY & RISK

Property and risk in the Goods shall pass when correctly offloaded in condition which is to the satisfaction of the Buyer at the point of delivery specified in the Order and in accordance with all other delivery instructions.

7. INVOICING

An acknowledgement of Order stating date of delivery must be sent immediately upon receipt of Order although any terms contained in such an acknowledgement inconsistent with the terms contained herein shall be deemed invalid. A separate Invoice quoting the Buyer's Order number must be rendered clearly showing the total due. Payment will be made no earlier than 60 days following acceptance of Goods and Invoice. The Seller shall have no right to charge interest or any other charge on an outstanding account. The Seller shall not assign the contract or any part

thereof or any benefit or interest therein unless the contrary written consent of the Buyer is obtained.

8. PACKAGING

Goods despatched by the Seller shall be rejected by the Buyer if their packaging does not conform to the specified type or is otherwise inadequate in the view of the Buyer. Packaging will not be returned unless their return is requested on the Delivery Note or Invoice, and the Seller agrees to reimburse the Buyer for all costs incurred.

9. INTELLECTUAL PROPERTY RIGHTS

The Goods shall be free from any undisclosed charge or claim by another arising under the Copyright, Designs and Patents Act 1988, or any other legislation. The Seller agrees to indemnify, in full, the Buyer for any subsequent claim or other expenses caused by an infringement or an alleged infringement of any letters patent, design right, copyright (including moral rights that may be attributed to any person), trade mark, goodwill of another or any other nationally or internationally recognised intellectual property right, and against all costs and damages which the Buyer incurs or may incur in respect of such an infringement action.

10. DRAWINGS, TOOLS AND OTHER MATERIALS

Where tools, drawings or other materials or data ("Tools") are supplied by the Buyer to the Seller in order for the contract to be fulfilled, legal and equitable title to such Tools remains with the Buyer. The Tools are to be used by the Seller solely for the purpose of fulfilling this Order and shall be kept and maintained in accordance with the Buyer's 'Tooling Agreement' a copy of which is available from the Buyer upon request. All Tools are to be regarded as being confidential and the possession or specification or other details of any Tools shall not be disclosed to a third party without the prior consent of the Buyer. Any Tools damaged by the Seller will be chargeable to the Seller at replacement cost together with all costs reasonably incurred by the Buyer. The Buyer will not be liable for any damage or loss caused by the Seller's use of the Tools and shall not be liable for any maintenance or storage charges other than those expressly agreed in writing by the Buyer.

11. TERMINATION

The Buyer may terminate the Order in whole or in part at any time prior to the delivery of the Goods without giving any reason, and shall not be subject to any demand for payment from the Seller, its agents, successors or assignees in respect of such termination for any sum whatsoever.

12. STATUTORY REQUIREMENTS AND STANDARDS

The Seller must ensure that all Goods supplied are in compliance with all standards laid down by English Law whether imposed by statute, statutory instrument or common law. Where applicable, the Goods supplied must conform to standards and requirements laid down by the British Standards Institute or other specified national body, or International equivalent. The Seller agrees to provide the Buyer with all documentary evidence to allow the Buyer to assert the compliance of the Goods to such standards and requirements to the satisfaction of a third party. The Seller reserves the right to reject the Goods at any time if the Goods fail to comply in whole or in part to the standards and requirements referred to in this condition.

13. LAW.

These conditions are subject to the rights and benefits provided to the Buyer under Law and Equity. No waiver of a breach of any provisions of this Order shall constitute a waiver of such rights. This Order shall be construed in accordance with English Law. Any dispute between the parties shall be referred, at first instance and where (in the opinion of the Buyer) appropriate, to arbitration.

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