

1. DEFINITIONS AND INTERPRETATION

1.1 In these Conditions these words have the following meanings:

"the Company" means Advance Tapes International Limited or such other company within the Advance Tapes Group of Companies as may be responsible for the supply of Goods;

"the Contract" means any contract under which the Company sells Goods to the Purchaser;

"Goods" means the whole or any part of the goods which the Company is to supply;

"the Purchaser" means the individual, firm, company or other party with whom the Company contracts;

"supply" includes (but is not limited to) any supply under a contract for sale;

"International Supply Contract" means such a contract as is described in Section 26(3) of the Unfair Contract Terms Act 1977;

1.2 References to clauses (except where the context otherwise requires) are references to the clauses set out below;

1.3 Any reference in these Conditions to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

2. CONTRACT TERMS, VARIATIONS AND REPRESENTATIONS

2.1 No order in pursuance of a quotation or otherwise shall be binding on the Company unless and until such order is accepted by the Company. Goods will be supplied only pursuant to a Contract between the Company and the Purchaser;

2.2 The Contract will be subject to these Conditions. Except as provided in clause 2.3 no representative or agent of the Company has authority to agree any term or make any representation which is inconsistent with these Conditions or to enter into any contract except on the basis of them;

2.3 Any term or representation inconsistent with these Conditions will only bind the Company if it is in writing and signed by a director of the Company. The words "unless otherwise agreed in writing by the Company" in these Conditions means unless otherwise agreed in writing and signed by a director of the Company;

2.4 Unless otherwise agreed in writing by the Company these Conditions shall apply to the exclusion of any terms or conditions stipulated or referred to by the Purchaser in his order or pre contract negotiations or any inconsistent terms implied by law or trade custom, practice or course of dealing;

2.5 Any illustrations, weights, measures, temperatures, capacities, descriptions or specifications contained in the Company's catalogues, samples, price lists or other advertising material are intended merely to present a general picture of the Goods and will not form a representation or be part of the Contract unless otherwise agreed by the Company in writing;

2.6 Where the Company has not acknowledged the Purchaser's order in writing, these conditions will apply to the Contract provided the Purchaser has had prior notice of them;

2.7 The Company reserves the right to correct any clerical or typographical errors made by its employees at any time.

3. SPECIFICATION

3.1 If Goods are made to a specification, instruction or design supplied by the Purchaser or any third party on behalf of the Purchaser then;

3.1.1 the suitability and accuracy of that specification, instruction or design will be the Purchaser's responsibility and;

3.1.2 the Purchaser will indemnify the Company against any infringement of any patent, design right, registered design, trademark, tradename, copyright or other intellectual property right and any loss, damage or expense it may incur because of any such infringement or alleged infringement in any country and;

3.1.3 the Purchaser will indemnify the Company against any loss, damage, liability or expense arising in any country by reason of the Goods being made to such specification, instruction or design;

3.2 The Company reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable safety or other statutory requirements. Where the Goods are to be supplied to the Purchaser's specification the Company reserves the right to make any changes in the specification of the Goods which do not materially affect the quality or performance of the Goods;

3.3 All weights, measurements and specifications quoted by the Company are nominal and subject to manufacturing tolerances;

3.4 Exact production conformity with samples which have been previously submitted cannot be guaranteed. Pigmented materials are subject to colour variation. Samples are exhibited and inspected solely to enable the Purchaser to judge for itself the quality of the bulk and not so as to constitute a sale by sample.

4. PRICES

4.1 Unless otherwise agreed in writing by the Company the Company's quotations for the Goods are provisional and may be altered at any time for any reason;

4.2 The Company may also increase its prices at any time to take account of any error or inadequacy in any specification, instruction or design provided by the Purchaser or any modification carried out by the Company at the Purchaser's request;

4.3 All prices quoted are exclusive of VAT and the Purchaser shall pay any and all duties, taxes or other government charges payable in respect of the Goods.

5. PAYMENT

5.1 Unless otherwise agreed in writing by the Company, the Company shall be entitled to invoice for the price of the Goods on or at any time after despatch of the Goods or any installment or consignment thereof, unless the Goods are to be collected by the Purchaser or the Purchaser wrongfully fails to take delivery or make collection of any consignment of the Goods, in which event the Company shall be entitled to invoice the Purchaser for the price at any time after the Company has notified the Purchaser that the goods or any consignment thereof are ready for collection or (as the case may be) the Company has tendered delivery of the Goods;

5.2 Unless otherwise agreed in writing by the Company full payment will be made by the Purchaser not later than the last day of the month following the month in which the invoice is dispatched notwithstanding that property in the Goods has not passed to the Purchaser;

5.3 Time for payment will be of the essence of the Contract;

5.4 Without prejudice to any other rights it may have the Company reserves the right to charge interest on all overdue accounts at 4% above National Westminster Bank Plc base rate from time to time or at the rate specified from time to time under the provisions of the Late Payment of Commercial Debts (Interest) Act 1998 (whichever is the higher). For the purposes of clauses 7.2 and 9 the full purchase price of the Goods will include any interest payable under this clause;

5.5 Non-payment on a due date will entitle the Company to demand payment of all outstanding balances under the Contract or any other contract between the Company and the Purchaser whether due or not and/or cancel any outstanding orders without prejudice to any other rights it may have;

5.6 Without prejudice to any other rights it may have the Company will have the right to suspend performance of its obligations if it reasonably believes that the Purchaser will not make payment in accordance with this clause.

6. DELIVERY

6.1 Unless otherwise agreed in writing by the Company;

6.1.1 if the Company agrees to deliver the Goods to the Purchaser's premises or elsewhere the Purchaser will promptly give to the Company all necessary instructions and approvals if and when requested by the Company; off-loading will be at the Purchaser's risk and expense;

6.1.2 if the Company agrees that the Purchaser shall take delivery of the Goods at the Company's premises the Purchaser will do so promptly when informed that the Goods are ready;

6.2 Unless otherwise specified by the Company the contract price for the Goods does not include delivery or carriage charges. The Purchaser will be responsible for paying, delivery and carriage charges in addition to the contract price.

6.3 If the Contract is an International Supply Contract, it will be deemed to incorporate the latest edition of "Incoterms" current at the date of the Contract. If there is any inconsistency between "Incoterms" and any express term of the Contract the latter will prevail. The Company will be under no obligation to give the Purchaser the notice specified in Section 32(3) of the Sale of Goods Act 1979. Unless otherwise agreed in writing by the Company all International Supply Contracts are FOB the relevant UK port;

6.4 The Company will try to deliver the Goods by any agreed date or within any agreed period but such dates or periods are estimates only given in good faith and the Company will not be liable for any failure to deliver by such dates or within such periods. Time for delivery will not be of the essence of the Contract. The Goods may be delivered by the Company in advance of any agreed date upon giving reasonable notice to the Purchaser;

6.5 If the Company is delayed in or prevented from delivering the Goods due to war, governmental or parliamentary restrictions, strike, lock-outs, fire, floods, explosions, labour disturbances, trade disputes, damage to or destruction of the Goods, breakdown of machinery, shortages of labour or of raw materials or Act of God or due to any other cause beyond the reasonable control of the Company, the Company may cancel or suspend the Purchaser's order without incurring any liability for loss or damage;

6.6 The Company shall not be under any obligation to agree postponement of delivery. Where delivery is postponed otherwise than due to the Company's default, the Purchaser shall pay all costs and expenses of delay including a reasonable charge for storage and transportation and (unless the Company has agreed in writing to such a postponement) the Company shall be entitled to invoice the Purchaser for the Goods forthwith.

6.7 The Company will endeavour to deliver the exact quantity of Goods ordered by the Purchaser. In respect of non-standard Goods the Company reserves the right to deliver up to plus or minus 10% of the quantity ordered. In such a case the Purchaser will be invoiced for the actual quantity of Goods delivered and any agreed total Contract price will be adjusted proportionally.

7. FAILURE TO PAY, CANCELLATION OR DEFERMENT

7.1 For the purposes of this clause 'an intervening event' shall mean any such event as is described in sub-clause 7.3 hereof;

7.2 If there shall be an intervening event the Company may, within a reasonable time thereafter defer or cancel any further deliveries or services, stop any Goods in transit and treat the Contract as determined but without prejudice to its rights to the full purchase price for Goods delivered and services performed and damages for any loss suffered in consequence of such determination;

7.3 An intervening event shall be any of the following:

7.3.1 failure by the Purchaser to make any payment when it becomes due;

7.3.2 breach by the Purchaser of any of the terms or conditions of the contract;

7.3.3 an order being made or a resolution being passed for the winding up of the Purchaser or circumstances arising which entitle a court of competent jurisdiction to make a winding up order of the the Purchaser;

7.3.4 an order being made for the appointment of an administrator to manage the affairs, business and property of the Purchaser or documents being filed with a court of competent jurisdiction for the appointment of an administrator of the Purchaser or notice of intention to appoint an administrator being

given by the Purchaser or its directors or by a qualifying chargeholder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986);

7.3.5 a receiver being appointed of any of the Purchaser's assets or undertaking or circumstances arising which entitle a court of competent jurisdiction or a creditor to appoint a receiver or manager of the Purchaser, or any other person taking possession of or selling the Purchaser's assets;

7.3.6 the Purchaser making or proposing to make any arrangement or composition with its creditors or making or proposing to make an application to a court of competent jurisdiction for the protection of its creditors in any way;

7.3.7 the Purchaser ceasing to trade;

7.3.8 the Company forming the reasonable opinion that the Purchaser has become, or is likely in the immediate future to become unable to pay his or her or its debts (adopting the case of a company the definition of that term set out in Section 123 of the Insolvency Act 1986).

7.4 Cancellation by the Purchaser will only be accepted at the discretion of the Company and in any case on condition that any costs or expenses incurred by the Company up to the date of cancellation and all loss or damage resulting to the Company by reason of such cancellation will be paid by the Purchaser to the Company forthwith. Acceptance of such cancellation will only be binding on the Company if in writing;

7.5 Any costs incurred by the Company due to suspension or deferment of any order by the Purchaser or in the event that the Purchaser defaults in collecting, or giving instructions for the delivery of, any Goods will be payable by the Purchaser forthwith on demand.

8. DEFECTIVE GOODS – LIMITATION OF LIABILITY

8.1 The Purchaser will carefully examine the Goods on receipt and notify the Company and the carrier immediately of any damage or shortage. Within three working days of receipt or (in the case of total loss) of receipt of the invoice or other notification of despatch the Purchaser will give the Company written confirmation of the damage, loss or shortage. Within fourteen days of request the Purchaser will provide authority for the Company's servants or agents to inspect any damaged Goods. For the purposes of this sub-clause a qualified signature shall not be sufficient notice. The Company's liability, if any, will be limited to replacing such Goods. The Company will have no liability for any other direct or consequential loss arising out of such damage, loss or shortage;

8.2 Save as otherwise provided in these conditions the Company's liability in respect in any defect in or failure of Goods supplied or default in work done (which expression shall, without prejudice to its generality, include all work done in or in connection with the design, manufacture, treatment or testing of any Goods) is limited to replacing or (at its option) paying for the replacement of Goods which are found to be defective by reason of faulty or incorrect design, workmanship or materials or default in work done;

8.3 The Company's liability for any direct loss or damage sustained by the Purchaser as a result of any error in weight, dimension, capacity, performance or other description or information which has formed a representation or is part of the Contract will not exceed the price of the Goods in respect of which the description or information is incorrect;

8.4 The Company will only be liable to the Purchaser in respect of the matters set out in clauses 8.2 and 8.3 provided that;

8.4.1 the Purchaser informs the Company of the defect or default as soon as is reasonably practicable and in any event within 12 months of the delivery of the Goods and before the 'use before date' shown on the relevant Goods; and;

8.4.2 Authority is provided for the Company's servants or agents to inspect the same; and;

8.4.3 the Goods have been stored in accordance with the provisions referred to in clause 14 hereof;

8.5 Save as expressly provided in these conditions the Company shall have no liability in respect of any direct, indirect, economic or consequential loss or damage, costs or expenses (including but not limited to loss of contracts or loss of business) or loss of profit sustained by the Purchaser arising from or in connection with any such defect, default or error as aforesaid;

8.6 Where the Company agrees to replace Goods or carry out again any services any time specified for delivery or performance under the Contract will be extended for such period as the Company may reasonably require;

8.7 Except for the terms implied in the Contract by section 12 of the Sales of Goods Act 1979 all conditions, warranties and other terms, express or implied, statutory or otherwise, are expressly excluded, save insofar as they are contained in these conditions or otherwise expressly agreed by the Company in writing. If any legislation makes it unlawful to exclude or purport to exclude any term from the Contract this clause will not apply to such term;

8.8 Except in the respect of death or personal injury the Company shall not be liable to the Purchaser for any damage or for any direct or consequential loss incurred by the Purchaser in consequence of any negligence on the part of the Company or negligence or wilful default on the part of its servants or agents in or in connection with the supply of any Goods or in the carrying out of any work (which expression shall, without prejudice to its generality, include all work done or in connection with the design, manufacture or testing of any Goods) or in the preparation or provision of any information or advice.

9. RETENTION OF TITLE

The following provisions shall apply to all contracts relating to Goods which under the Contract the Company agrees to supply to the Purchaser. No termination of the Contract shall prejudice limit or extinguish the Company's rights under this clause;

9.1 Upon delivery of the Goods the Purchaser shall hold the Goods solely as bailee for the Company and the Goods shall remain the property of the Company until such time as the Purchaser shall have paid to the Company the full purchase price of all Goods supplied under the Contract or any other contract between the Company and the Purchaser. Until such time the Company shall be entitled to recover the Goods or any part thereof and for the purpose of exercising such rights the Company its employees and agents with appropriate transport may enter upon the Purchaser's premises and any other location where the Goods are situated and remove the Goods;

9.2 The Purchaser is hereby granted a license by the Company to incorporate the Goods in any other products subject to the Purchaser obtaining any other licences that are required;

9.3 The Purchaser is hereby licensed to agree to sell on the Goods and any of the products incorporating any of them on condition that the Purchaser will inform its customer of the provisions of this clause 9. The Purchaser acts as the Company's bailee in respect of any such sale and shall immediately upon receipt of the proceeds of sale and whether or not payment has become due under Clause 5 hereof, remit to the Company the full purchase price of the Goods sold on less any part thereof which has already been paid and, until such amount has been so remitted, shall hold such amount as trustee and agent for the Company;

9.4 The Purchaser shall maintain all appropriate insurance in respect of the Goods from the date or dates on which the risk therein passes to it. In the event of any loss or damage occurring while the Goods remain the property of the Company the Purchaser shall promptly submit a claim to its insurance company in respect thereof and shall immediately on receipt of the insurance monies remit to the Company the full purchase price of the Goods lost or damaged less any part thereof which has already been paid and until such amount has been so remitted shall hold such amount as trustee and agent for the Company. For the avoidance of doubt the provisions of this sub-clause do not affect the Purchaser's obligations under clause 5 hereof;

9.5 The licenses granted under sub-paragraphs 9.2 and 9.3 above shall be terminable forthwith at any time upon notice by the Company to the Purchaser;

9.6 In the case of International Supply Contracts property in the Goods shall pass to the Purchaser on delivery.

10. DESIGN INFORMATION AND DRAWINGS

Copyright and all other intellectual property rights in all drawings, documents, design information and other information prepared and/or supplied by the Company shall vest in and remain the property of the Company.

11. RISK IN THE GOODS AND OTHER ITEMS

Except for International Supply Contracts and unless otherwise agreed in writing by the Company, the risk in the Goods will pass to the Purchaser on delivery or, if delivery is postponed at the Purchaser's request or due to the Purchaser's default, when the Goods are ready for despatch.

12. TRADE DESCRIPTIONS

Where any trade descriptions or other indication or representation is applied to Goods at the Purchaser's request the Purchaser warrants that the same will be true and accurate in all respects and that the supply or offer of supply of such Goods by any person will not give rise to any offence by the Company under the Trade Descriptions Act 1968 or the Consumer Protection Act 1987 or any other relevant legislation, regulations or EU Directives. The Purchaser shall keep the Company fully indemnified against any breach of the foregoing warranty.

13. INFORMATION AND WARNINGS

13.1 The Company produces detailed Technical Data Sheets, Health and Safety Data Sheets and Brochures containing information and warnings relating to the Goods and their use. Purchasers who do not already possess copies of these must request from the Company in writing for copies when placing an order;

13.2 The Purchaser warrants that it will pass on to all third parties to whom it may supply the Goods or who may use the Goods the applicable Technical Data Sheets, Health and Safety Data Sheets or a copy of those and any other information supplied by the Company to the Purchaser concerning the Goods and the Purchaser will indemnify the Company against any loss damage claims costs or expenses it may incur as a direct or indirect result of the Purchaser's breach of its warranty.

14. STORAGE OF GOODS

The Purchaser warrants that all Goods shall be stored in accordance with the Company's recommendation and as set out in the applicable Technical Data Sheets and Health and Safety Data Sheets. Due to the nature of the Goods, failure to store them aforesaid may lead to deterioration.

15. ISO 9000

All Goods packaged in the Company's printed cartons have been manufactured under an ISO registered system. Some of the Goods packaged in plain cartons may not have been manufactured under an ISO registered system. The Company shall upon request identify those Goods.

16. PURCHASER'S WARRANTY

The Purchaser warrants that whilst any sums are owing to the Company it will notify the Company in writing of any arrangement or transaction which could reasonably be considered to affect the financial status of the Purchaser.

17. GENERAL

17.1 These conditions and the Contract are governed by English Law and the parties agree to submit to the jurisdiction of the English Courts in the event of any dispute

17.2 The headings in these Conditions are inserted for convenience only. They are not to affect their interpretation or construction

17.3 If any provision of these Conditions becomes illegal or void for any reason, the validity of the remaining provisions shall not be affected

17.4 Failure by the Company to enforce strict compliance with these Conditions by the Purchaser will not constitute a waiver of any of the Conditions.