

## Terms & Conditions of Sale

### 1. Interpretation.

In these Conditions, unless the Contract requires otherwise, "the Contract" means the Contract between the Buyer and the Seller consisting of the 'Order', these conditions and any other documents (or parts thereof) specified in the 'Order'.

- a) "Buyer" means the person, firm or company or any other organisation from whom the 'Order' is issued
- b) "Seller" means Once Upon a Time Marketing Limited (3406501) and its subsidiaries, hereinafter referred to as the Seller.

Where the contents so admits, the term 'The Buyer' will include the Buyer's agents and its subsidiaries that are authorised by the Buyer to issue orders and accept delivery of the goods in accordance with these terms and conditions.

- c) The "Goods" means all articles or things or services, covered by the "Order".
- d) "Specification" means the technical description (if any) of the goods contained or referred to in the Contract or in any Order.
- e) "Order" means the purchase order (or instruction received from the Buyer verbally or in writing) placed by the Buyer for the supply of the goods.
- f) "Contract" means each agreement between the Buyer and the Seller for the supply of goods.

### 2. GENERAL.

All quotations are given, orders accepted and goods supplied subject to the following terms and conditions and no addition thereto or variation thereof shall be effective unless expressly agreed in writing by the Company.

The Buyer Acknowledges and agrees that the Seller shall be entitled, at its discretion to sub contract the performance of the services (in whole or in part) to a third party.

Buyer's property and all property supplied to the seller by or on behalf of the Buyers, including master tapes, artwork/CAD files and printing films will be held by the Seller or its agents entirely at the Buyers risk. The Seller recommends that the Buyer should insure such property against any damage or loss and retain safety and or duplicate copies of all property supplied. This should be inclusive of all goods or origination previously supplied by the Seller.

Buyer's property including all printed material or other materials worked on and supplied by the Seller and held by the Seller or by one or more of the Seller agents shall be held entirely at the Buyer's risk. The Seller recommends that the Buyer should insure such property against any damage or loss.

Unless otherwise agreed in writing by the Seller these conditions shall govern any contract made between the Seller and the Buyer (whether made on the basis of the quotation or not) and these conditions shall comprise the entire bargain made between the Seller and the Buyer. In the case of any inconsistency between these conditions and any form of contract signed by the Buyer or any terms put forward by the Buyer these present conditions shall prevail.

If the Seller shall believe the Buyer to be insolvent the Seller may suspend deliveries without incurring liability of any kind and need not resume such deliveries until special terms for payment have been agreed.

All quotations are made subject to the availability of raw materials and goods will be invoiced at the price ruling at the date of despatch and accordingly the price quoted is not binding on the Seller but is an indication of the price ruling at the date of the quotation only.

No responsibility is accepted by the Seller for any loss or damage of any kind where arising directly or indirectly from the goods supplied by the Seller.

All specifications, creative, artwork, drawings, pressing tools, plates, tools, dies or blocks, process information, film or designs supplied remain the property of the Seller unless paid for by the Buyer.

In the case of printed materials alterations from the original copy and after the first proof, including alterations in style, will be charged to the Buyer in addition to the contract price. No responsibility will be accepted for any errors in proofs which have been approved by the Buyer.

While every effort will be made by the Seller to supply material in accordance with any sample submitted the Seller gives no guarantee, condition, warranty or representation (whether express or implied) that the goods ordered and delivered will correspond with the sample.

The Seller shall be indemnified by the Buyer against any loss incurred in respect of any demands, claims, costs or expenses of whatever kind arising out of any legal, libellous or other matter manufactured or printed for the Buyer or any infringement of copyright, patent or design.

The Buyer assumes full responsibility for the fulfilment of all copyright obligations stated or otherwise, arising from the manufacture and supply of the product under contract. The Buyer confirms that, in respect recordings held the necessary licences from the copyright holders and that the recording of the performance of any dramatic or musical work from which the master tape was derived was made lawfully with the consent in writing of the performers concerned.

The Buyer grants to the Seller irrespective of any non-disclosure agreements, all necessary authorities and consent to enable the Seller from time to time to consult with and provide details of any orders placed by the Buyer to third party organisations, including The British Phonographic Society (BPI), Mechanical Copyright Protection Society (MCPS) Performing Right Society (PRS) and the international federation of the Phonographic Industry (IFPI), Content Delivery, Storage Association and any other appropriate party.

### 3. CONDITIONS AND WARRANTIES.

This contract is subject to the terms implied by the Sale of Goods Act 1979 and the Seller offers no further condition or warranty beyond that provided for in the act.

### 4. QUOTATIONS.

Unless previously withdrawn, quotations are open for acceptance within the period stated in them. Where no period is stated, the quotation shall be open for acceptance within Thirty (30) days from the date it is given, unless withdrawn by the Seller during that time.

### 5. DESCRIPTION.

All specifications and particulars of weights, quantities and dimensions submitted with the Seller's quotations are approximate only and the descriptions and illustrations contained in the Seller's catalogues and other advertising material are intended merely for illustration and do not form part of any contract.

### 6. PRICES AND CHARGES.

- (a) All orders are subject to prices prevailing on the date the order is despatched and are subject to amendment on or after acceptance without notice unless otherwise agreed in writing by the Seller
- (b) Unless otherwise stated all prices and charges are exclusive of Value Added Tax, delivery, packing and insurance charges.
- (c) Unless otherwise stated all prices and charges are for goods available for collection at the Seller's premises.
- (d) Any extra costs incurred by the Seller on account of delays, interruptions or suspension of work due to the Buyer's instructions or absence of instructions will be added to the contract price and paid accordingly.

### 7. TERMS OF PAYMENT.

- (a) Unless expressly agreed full payment is due from the buyer upon placement of the order and the company will not proceed in any way with the order until the payment is received. Where credit facilities have been agreed all accounts are strictly nett and payable in full within Thirty (30) days from the date of the invoice and no deductions or cash discounts will be allowed.
- (b) In the event of non-payment of any invoice within the prescribed period, interest and late payment compensation will accrue in accordance with the provisions of the Late Payment of Commercial Debts (Interest) Act 1998.

The Buyer shall also be liable for any costs or expenses, legal or otherwise, incurred by the Seller as a result of non-payment or delayed payment of an invoice.

If the Buyer shall fail to pay all sums due to the seller on the due date the Seller may:

- (a) Without incurring liability of any kind suspend deliveries under any or all contracts with the Buyer while payments remain in arrears and/or
- (c) give notice in writing that if any such sum or sums outstanding be not paid in seven days any or all such contracts may be cancelled and if all such claims are not paid within such time may by further notice determine any or all such contracts and claim damages for repudiation.

**8. DELIVERY.**

- (a) Any time or date for delivery named by the Seller is an estimate only and the Seller shall not be liable for the consequences of any delay.
- (b) Unless otherwise agreed delivery of the goods will occur when the goods are made available for collection at the Seller's selected production site.
- (c) Where requested by the Buyer the Sellers will, at the Buyer's expense and risk, make such carriage insurance and freight arrangements as the Seller regards as appropriate and the cost of such insurance and freight shall be added to the invoice.
- (d) The seller may deliver by instalments; such instalments shall be separate obligations and no breach in respect of one or more of them shall entitle the Buyer to cancel any subsequent instalments or repudiate this contract as a whole.

While the seller will endeavour to make delivery on the date stated overleaf any delivery date so specified is an estimate only and time for delivery shall not be deemed to be of the essence of the contract, nor shall the Seller be deemed to have waived the benefit of this condition by reason of agreeing to delivery by a specified date

The Seller shall in no circumstances be liable to the Buyer neither for the late delivery of the goods nor for any damages incurred by the Buyer as a result of or consequent upon such late delivery.

The Seller shall be entitled to deliver up to 10% more or less of the quantity ordered by the buyer, for each element that makes up the total order. The buyer's order shall be considered to be completed by the buyer and the company when a delivery of up to 10% more or less of the quantity ordered by the customer has been made.

If the contract provides for delivery by instalments each instalment shall be deemed to be the subject of a separate contract and any complaint raised by the Buyer in respect of the state, quality or condition of the goods comprised in any instalment or in respect of non-delivery or delay in delivery of any instalment or any other complaint shall not affect the balance of the contract or entitle the Buyer to cancel the same.

**9. LOSS OR DAMAGE IN TRANSIT.**

No claim for damage in transit, shortage of delivery or loss of goods will be accepted by the Seller unless such damage shortage or loss is endorsed on the carrier's delivery note or, if the goods have been delivered and the delivery note endorsed as "not examined", a separate notice in writing is given to the carrier concerned and to the Seller within seven days of receipt of the goods. In the event of any claim for damage in transit, shortage of delivery or loss of goods properly made as aforesaid, the Seller shall replace free of charge the goods damaged or lost or make up the shortage of goods supplied. Save as aforesaid the Seller shall not be liable for any loss, damage liability or expense whatsoever and howsoever arising from any loss or damage in transit or shortage of delivery.

**10. DELAY IN DELIVERY.**

Deliveries may be wholly or partially suspended and the time of such suspension added to the original contract in the event of a stoppage, delay or interruption of work in the premises of the Seller or its partners during the delivery period as a result of any act of God, war, strikes, lockouts or other trade disputes, riot or civil commotion, fire, flood, legislation, breakdown, accident or any other cause whatsoever beyond the control of the Seller.

Non deliveries must be reported within seven days of invoice.

**11. STORAGE.**

If by reason of instruction or lack of instructions from the Seller despatch of the goods is delayed for seven (7) days after the Seller has notified the Buyer that the goods are ready for delivery, or in the event of the Buyer failing to collect the goods within seven days after the Buyer has been notified that the goods are ready for collection, the goods ordered shall be stored by the Seller at the Buyer's risk and the Buyer shall repay the Seller the cost of storing and insuring the goods. For the purposes of Condition 7 (Terms of Payment) the goods shall be invoiced to the Buyer upon the expiry of the said 7 day period.

The Seller reserves the right to charge the Buyer a reasonable storage charge to be fixed by the seller in any case where goods are stored by the seller at the Buyer's request, but the time for payment in any such case shall be 28 days from the date on which the goods are placed in storage by the Seller.

**12. ACCEPTANCE.**

The Buyer must inspect the goods immediately on delivery thereof or on collection as the case may be and unless within seven (7) days from such inspection written notice is given to the Seller of any matter by reason of which the buyer alleges that the goods are not in accordance with the contract, the goods shall be deemed to be in all respects in accordance with the contract and the buyer shall be bound to accept and pay for the same accordingly.

The Buyer is advised in its own interest to examine goods before further manufacture as the Seller accepts no responsibility for material which has been cut, printed or otherwise fabricated or processed.

**13. DEFECTIVE GOODS.**

- (a) Defective goods in respect of which a claim is made pursuant to Condition 12 hereof will be replaced by the Seller or if replacement is not practicable the Seller will credit the value of the goods at the invoice price PROVIDED ALWAYS that the defective goods are promptly returned to the Seller carriage paid, unless otherwise agreed.
- (b) In the case of goods supplied but not manufactured by the Seller the Seller's sole responsibility shall be to give the buyer the same warranty in respect thereof as is given to the Seller by the supplier PROVIDED ALWAYS that the Seller shall not be under any obligation to pay any liability or expense greater than the amount the Seller shall recover from the supplier in respect thereof.
- (c) The Seller shall not be liable for any loss damage liability or expense whatsoever and howsoever arising from any defect of the goods supplied save as detailed in Condition 13 (a) and (b) above.

**14. FORCE MAJEURE.**

Every effort will be made by the Seller to carry out its contract with the Buyer. The performance of the contract is subject to cancellation by the Seller or of such reasonable variation as the Seller may consider appropriate as a result of inability to secure labour, materials or supplies or as a result of any act of God, war, strike, lock-out or other labour disputes, riot or civil commotion, fire, flood, legislation, breakdown, accident or any other cause whatsoever beyond the Seller's control.

In the event of the Seller being prevented from delivering part of any order or instalment by reason of any of the clauses mentioned in Clause 14 whereof the Seller shall deliver and the Buyer shall take such part of the said order or instalment as the Seller shall be able to deliver and the Buyer shall pay for the part delivered the same proportion of the purchase price as the part delivered bears to the whole of the order or instalment.

**15. RETENTION OF TITLE ON THE SALE OF GOODS.**

All goods are supplied to Buyer on the following terms:

- (a) The ownership of goods delivered by the Seller shall be transferred to the Buyer only when all sums owed by the Buyer to the Seller have been paid. Without prejudice to the foregoing, however, the Buyer shall assume the risk of loss or damage to the goods from the date of delivery.
- (b) Should the Buyer fail to make any payment to the Seller for goods supplied, the Seller reserves the right to refuse to make any further deliveries irrespective of which contract to which such further deliveries may relate and to rescind the contract or contracts with the Buyer but without prejudice to the Seller's rights and remedies in respect of such non-payment including the Seller's right to recover goods delivered but unpaid for in accordance with this Condition 15.
- (c) Pending payment of the full price in respect thereof, the Buyer acknowledges that he is in possession of the goods solely as Bailee for the Seller until such time as the full price thereof is paid.
- (d) If the Buyer shall sell any of the goods delivered by the Seller (whether converted into or incorporated in new products or otherwise) in such a manner as to pass to a third party a valid title therein, the Buyer shall hold the proceeds of the sale on trust for the Seller, ALWAYS PROVIDED that nothing herein contained shall constitute the Buyer as an agent of the Seller for the purpose of any such sub-sale and also provided that the Buyer shall not be entitled to sell such goods after the appointment of a Receiver to its property or after it has been placed in liquidation or, not being a company, has committed an act of bankruptcy.  
No contract shall be completed on the basis of this quotation until an offer has been made by the Buyer and the Seller confirms acceptance thereof in writing.

We reserve the right of ownership to goods listed above until payment has been received in full. The Buyer grants the seller, its agents and employees irrevocable right to enter any premises where the goods are or may be stored in order to inspect them and where the title to the goods remain vested in the Seller after the time for payment is due, the right to recover them without further formality or notice to the Buyer.

**16. CANCELLATION.**

If the Buyer cancels, extends or delays or purports to cancel, extend or delay the relevant contract or part thereof, or fails to take delivery of any goods at the time agreed (if any) or if no time is agreed, within a reasonable time, then the Buyer will be liable (without prejudice to any other rights of the Seller to claim damages) to indemnify the Seller against any resulting loss, damage or expense incurred by the Seller in connection with the supply or non-supply of the goods including the cost of any material, plant or tools used or intended to be used therefore and the cost of labour and other overheads including a percentage in respect of profit.

**17. ARBITRATION.**

If at any time any question, dispute or difference whatsoever shall arise between the Seller and the Buyer upon or in connection with any contract between them which the parties shall have failed to resolve then either of them may refer such question, dispute or difference to arbitration by a person to be mutually agreed upon or failing agreement within fourteen days to some person appointed by the President for the time being of the Law Society of England and Wales.

**18. LEGAL CONSTRUCTION.**

Unless otherwise agreed in writing any contract between the Seller and the Buyer will in all respects be governed by and construed in accordance with English law.

**19. ACCEPTANCE OF TERMS AND CONDITIONS.**

The acceptance of the Seller's quotation, verbally or written (or any part thereof) or the acceptance of goods delivered by the Seller shall be deemed to be acceptance of these Terms and Conditions of Sale.

ENDS.

## SCHEDULE 4

### Supplier General Terms and Conditions

#### 1. Interpretation

In these Conditions, unless the Contract requires otherwise, “the Contract” means the Contract between the Buyer and the Seller consisting of the ‘Order’, these conditions and any other documents (or parts thereof) specified in the ‘Order’.

- a) “Buyer” means Once Upon a Time Marketing Limited (3406501) and all associated companies, hereinafter referred to as the Buyer.

Where the contents so admits, the term ‘The Buyer’ will include the Buyer’s agents and its subsidiaries that are authorised by the Buyer to issue orders and accept delivery of the goods in accordance with these terms and conditions.

- b) “Seller” means the person, firm or company or any other organisation to whom the ‘Order’ is issued.
- c) The “Goods” means all articles or things or services, covered by the “Order”.
- d) “Specification” means the technical description (if any) of the goods contained or referred to in the Contract or in any Order.
- e) “Order” means the purchase order placed by the Buyer for the supply of the goods and any additional assets, specifications or instructions sent at time of order or as an update to said Order.
- f) “Contract” means each agreement between the Buyer and the Seller for the supply of goods.

#### 2. General

- a) No variations in any of the terms and conditions, delivery, prices, quality, quantity or specifications of Order, irrespective of wording of the Seller’s acceptance or any local, general or trade customs, will change or modify the conditions of the Order without the written consent of the Buyer.
- b) Where express or additional order terms and conditions exist these are extra and complimentary to the standard conditions of contract.
- c) Any waiver of strict compliance with the provisions of this order shall not be deemed a waiver of the Buyer’s rights to insist upon strict compliance thereafter.
- d) The Seller shall not, unless authorised by the Buyer in writing, in any manner advertise or publish that Seller has contracted to furnish the Buyer the material ordered.

#### 3. Description

- a) The goods shall be of the qualities and sorts described and equal in all respects to the Specifications, Plans, Assets, Patterns and Samples which form part of the Contract or are otherwise relevant for the purpose of the Contract. Except insofar as may otherwise be indicated by a Specification, Plan, Assets, Pattern or Sample, the goods shall be strictly in accordance with the latest relevant British Standard Specification or equivalent where such exists or otherwise shall be to the satisfaction of the Buyer.
- b) The goods shall:-
- Be of sound manufacture and workmanship, and free from blemishes and faults.
  - Be capable of the standard of performance stated in the Order.
  - Be fit for the purpose expressly or by implication indicated by the Buyer either prior to or in the Order, or elsewhere orally or in writing.

**4. Acceptance**

- a) The Buyer shall only be bound by orders placed on its official order form or quoting an official order number.
- b) The Seller must not at any time (unless agreed in writing by the Managing Director or Head of Procurement) accept any offer of work from the Buyer without the receipt of a Purchase Order number.
- c) Acceptance by the Seller of the Order, whether in writing or by despatch of the Goods or the purchase of the materials or components by the Seller for the purpose of fulfilling the Order or the commencement of work shall be deemed to be acceptance of the Order and of these conditions.
- d) The Seller accepts that no additional charges may be levied against an order unless agreed in writing by the Buyer prior to costs being incurred. In this instance an amendment or additional Purchase Order will be raised. Invoices submitted that do not match against the final PO will be rejected until such time as they match.

**5. Inspection, Rejection and Quality**

- a) The goods may be inspected on behalf of the Buyer either after delivery or at the Buyer's premises or premises as may be specified in, or by the directions given in accordance with the Contract and if found defective or inferior in quality to or differing in form or material from the requirements of the contract (see Condition No 3 Description) may be rejected.
- b) Goods must be of satisfactory quality and fit for the purpose intended. The goods may not be defective in any way. All goods, works and materials supplied and works and services performed in pursuance of this contract shall be of the specified quality and suitable in every respect for the purpose for which they are required. Goods must have a period of durability acceptable to the Buyer which the Seller must guarantee and state clearly in the offer. No changes may be made to the specification without prior agreement having been obtained in writing from the Buyer.
- c) Goods rejected under this condition shall not be considered as having been delivered under the Contract and the Seller shall, within the appropriate time for delivery provided by the Contract, or such further time as the Buyer may allow, deliver at the Seller's expense, satisfactory goods in place of those rejected.
- d) Goods, so rejected after delivery shall be removed by the Seller at their own expense within five days from the date of receipt of the notification of rejection. In the event of the Seller failing to remove them, or any of them within such period as aforesaid, the Buyer shall be at liberty to return the rejected goods or any of them at the Seller's risk, the cost of carriage being recoverable from the Seller.
- e) Without prejudice to the Buyer's right of inspection under Clause (a) of this Condition, the Buyer may inspect and reject any of the goods in course of production. However, all goods supplied shall be of satisfactory quality and fit for purpose.
- f) The Seller shall, at its own expense, store, safeguard and prevent deterioration in the Goods (including Goods, which the Buyer is unable to accept delivery of at the time such are due for delivery) until they are required by the Buyer.
- g) The Seller shall ensure that when delivering the Goods it and all its agents and subcontractors comply with the site rules of the delivery address. The Buyer shall have no responsibility for personal injury arising out of the condition of the premises.
- h) Where the Buyer decides that inspection of any of the Goods whether completed or in course of production, shall be carried out at the Seller's factory or premises, the Seller shall give to the representative of the Buyer full and free access to the said premises as and when required for that purpose and shall at the expense of the Seller, afford to such representative all such reasonable accommodation and facilities as may be required therefore and all appliances, material and labour required for inspection purposes.
- i) If any of the Goods, whether completed or in course of production, are rejected on inspection by the Buyer, the same shall, if the Buyer so require, be marked in such a manner satisfactory to the Buyer as to ensure its subsequent identification as a reject article.

- j) The Buyer shall, when given notice of rejection, specify the reasons therefore and shall thereafter make the rejected goods available to the Seller as in paragraph 5 (d) above. In such case, Seller shall, within a reasonable time, replace such rejected goods with goods which are in all respects in accordance with the contract.
- k) Any money paid by the Buyer to the Seller in respect of any rejected articles not replaced by the Seller within a reasonable time together with any additional expenditure over and above the contract price reasonable incurred by the Buyer in obtaining other goods in replacement or where the goods have been put into use and under test are found to be defective, the directly related additional costs incurred by the Buyer in replacing such defective goods shall be paid by the Seller to the Buyer.
- l) In the event of rejection of any of the goods whereby the Seller considers themselves aggrieved, may, within five days of receipt of the notification of rejection and before such goods have been removed, give the Buyer notice of objection. It shall be condition precedent to consideration by the Buyer of the Seller's objection and to arbitration in respect of such objection that the Seller has given notice of this objection within the said time. If the Buyer gives notice of the objection, the goods shall not be removed until the Buyer directs.

#### **6. Default and Time**

- a) The Seller shall deliver the goods at the time specified in the order. Time shall begin to run from the date of acceptance by the Seller of the order or the date on which the Seller is in possession of such information and assets as may be necessary to enable them to start work on the goods, whichever may be the later.
- b) If the goods or any portion thereof are not delivered within the time or times specified in the Contract or any agreed extension of such time or times, the Buyer shall be entitled to determine the contract in respect of the goods undelivered as aforesaid and of any goods already delivered under the Contract which cannot effectively and commercially used by reason of the non-delivery of the goods undelivered as aforesaid. On such determination the Buyer shall be entitled:-
  - i. To return to the Seller at the Seller's risk and expense any of the goods already delivered but which cannot be effectively and commercially used as aforesaid and to recover from the Seller any monies paid by the Buyer in respect of such goods.
  - ii. To recover from the Seller any additional expenditure reasonable incurred by the Buyer in obtaining other goods in replacement of those in respect of which the contract has been determined.

#### **7. Force Majeure**

Neither party shall be liable for failure to perform its obligations under the Contract if such a failure results from circumstances that could not have been contemplated and which are beyond the party's reasonable control. Every effort will be made by the Seller to carry out its contract with the Buyer. The performance of the contract is subject to cancellation by the Seller or of such reasonable variation as the Seller may consider appropriate as a result of inability to secure labour, materials or supplies or as a result of any act of God, war, strike, lock-out or other labour disputes, riot or civil commotion, fire, flood, legislation, breakdown, accident or any other cause whatsoever beyond the Seller's control. In the event of the Seller being prevented from delivering part of any order or instalment by reason of any of the clauses mentioned whereof the Seller shall deliver and the Buyer shall take such part of the said order or instalment as the Seller shall be able to deliver and the Buyer shall pay for the part delivered the same proportion of the purchase price as the part delivered bears to the whole of the order or instalment.

#### **8. Packages**

- a) Unless otherwise provided by the Contract, all containers (including packing cases, boxes, tins, drums and wrappings) supplied by the Seller shall be considered non-returnable and the cost as having been included in the Contract price.
- b) If the Contract provides for returnable containers they shall be separately priced and shall be so invoiced by the Seller who shall give full credit on their return at the expense of the Buyer to the Seller in clean and good condition within a reasonable time after delivery in accordance with the terms of the Contract. The containers shall be clearly marked as returnable.

#### **9. Delivery**

- a) The goods properly packed and secured in such a manner as to reach their destination in good conditions under normal conditions of transport, shall be delivered by the Seller or despatched for delivery to the place or places in the manner specified in the Order.
- b) Goods required under any Contract are to be delivered, carriage paid, by the Seller in quantities covered by the Contract and specified by demanding officers. Deliveries are only to be made during the normal working hours of the Buyer unless special arrangements are made directly with the demanding officers.
- c) The Seller, until such time as the Buyer signifies acceptance of the goods in writing will be liable for all damage, loss or injury whether deliberate, accidental or without any fault of the Seller whatsoever. For the avoidance of doubt the forgoing applies equally to damage, loss or injury to a component part.
- d) It is agreed between the parties that the goods will become the property of the Buyer when they are set aside or in any way selected by the Seller for the purposes of the contract. However, the risk of loss, damage or destruction will remain with the Seller until such a time as the Buyer gives written acceptance of the goods as being in accordance with the contract.
- e) Delivery notes are not seen as an acceptance of conditions outside that specified within the purchase order.
- f) If the Seller fails to deliver in accordance with the Contract then following prior consultation with the Seller the Buyer may cancel the Contract or any part of it without prejudice to any of the rights and/or remedies hereunder or at Law.
- g) Where time of performance is specified it shall be the essence of the contract. If the Seller fails to deliver within the specified time or an agreed extension thereof approved by the Buyer, the Buyer reserves the right to claim from the Seller, liquidated damages to cover the additional expenditure incurred by the Buyer for bringing in alternative goods together with any costs the Buyer may incur.

**10. Transfer and Subletting**

- a) The Seller shall not give, bargain, sell, assign (except as is customary in the trade) or otherwise dispose of the Contract or any part thereof, or the benefit or advantage of the Contract or any part thereof, without the previous consent in writing of the Buyer.
- b) The Seller shall not without the consent in writing of the Buyer sub-let the Contract or any part thereof other than for materials, minor details or for any part of the goods of which the makers are named in the order or the specification, but this shall not prevent the Seller sub-letting part of the Contract to any company which is a member of the group to which the Seller belongs or a company with whom the Seller is associated. Any such consent shall not relieve the Seller of any of its obligations under the Contract.

**11. Guarantee**

- a) If within the period of three months from putting into service or after such delivery or such other period named in the order (herein after called the "guarantee period") the Buyer gives notice in writing to the Seller of any defect in the goods which shall arise under proper use from faulty design (other than a design made, furnished or specified by the Buyer for which the Seller has in writing disclaimed responsibility), materials or workmanship, then the Seller shall with all possible speed replace or repair the goods so as to remedy the defects without cost to the Buyer.
- b) The Buyer shall, as soon as practicable after discovering any such defect or failure, return the defective goods or parts thereof to the Seller and at the Seller's risk and expense, unless it has been agreed between the parties that the necessary replacement or repair shall be carried out on the Buyer's premises.

**12. Buyers Rights in Specifications, Artwork & Designs**

Any specifications, creative, artwork, drawings, pressing tools, plates, tools, dies or blocks, process information, film, designs or assets supplied by the Buyer to the Seller in connection with the contract shall NOT become the property of the Seller and remain the property of the buyer. Any information delivered therefrom or otherwise communicated to the Seller in connection with the contract shall be kept secret and not disclosed to any third party or made use of by the Seller except for the purpose of implementing the contract. With the exception of releasing information to any industry governing bodies for example BIEM, IFPI, BPI, MCPS and any other appropriate parties.

**13. Insurance of the Company's Goods**

The Seller shall insure in joint names of the Buyer and the Seller any material or property sent to the Seller by the Buyer for any purpose in connection with the contract against any damage which may occur to it whilst in the Seller's custody. The title of any goods supplied to the Seller to complete the contract will remain at all times with the Buyer

**14. Infringement of Patents**

- a) The Seller shall fully indemnify the Buyer against any action, claim, demand, costs, charges and expenses arising from or incurred by reason of any infringement or alleged infringements of any letters, patent, registered design, trade mark or trade name protected in the United Kingdom by the use or sale of the Goods and against all costs and damages which the Buyer may become liable in any such action. PROVIDED ALWAYS that this indemnity shall not apply to any infringements which is due to the Seller having followed a design or instruction furnished by the Buyer or to any infringement which is due to the use of such article or material in association or combination with any other article not supplied by the Supplier or to the use of the goods in a manner or for a purpose not reasonably to be inferred by the Seller or disclosed to the Seller to the making of the Contract.

- b) In the event of any claim made or action brought against the Seller arising out of matters referred to in this clause, the Seller shall be promptly notified thereof and may at his own expense conduct all negotiations for the settlement of the same and any litigation that may arise therefrom. The Buyer shall not, unless the Supplier shall have failed to take over the conduct of the negotiations or litigation, make any admission which might be prejudiced thereto. The conduct by the Seller of such negotiations or litigation shall be conditional upon the Seller having first given to the Buyer such reasonable security as shall from time to time be required by the Buyer to cover the amount ascertained or agreed or estimated, as the case may be, of any compensation, damages, expenses and costs for which the Buyer may become liable. The Buyer shall, at the request of the Seller, afford all available assistance for any such purpose and shall be repaid any expenses incurred in doing so.
- c) The Buyer on its part warrants that any design or instructions furnished or given by them shall not be such as will cause the Seller to infringe any letters, patent, registered designs, trade mark or trade name in performance of the contract.

**15. Prices and Payments**

- a) The prices stated in the order are free from price increase as set out in any express terms of any contract. Prices exclude VAT but include packaging, delivery, provision of test sheets, cost of plant, equipment, haulage, any other requisites for execution of the Order and insurance, unless otherwise agreed in writing.
- b) If the Buyer finds that the market price for the product is lower than the contracted price in this agreement and the Seller has been given the opportunity to match such price that is being offered in the market place at prices fixed for longer than one month, the Buyer can, at its discretion purchase goods or services from another source and cancel the existing Contract and/or Order.
- c) Bills for goods are to be submitted to the Buyer or its subsidiary requesting those goods, unless otherwise agreed, invoices will be due for payment 90 (ninety) days after the end of the month in which the invoice is dated plus 8 (eight) days processing time. All invoices and delivery notes must show the Buyer's purchase order number, failure to do so may delay payment. Invoices must be submitted with delivery notes attached or they will be returned.

**16. Corrupt Gifts and Payment of Commission**

- a) If the Seller shall have offered or given or agreed to give any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or is having done or forborne to do any act in relation to obtaining or execution of the contract or any other contract with the Buyer or for showing of forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Buyer or the like any acts done by any person employed by them or acting on their behalf (whether with or without the knowledge of the Seller) or if in relation to the contract or any other contract with the Buyer, the seller or any person employed by him or acting on his behalf, shall have committed an offence under the Bribery Act 2010 the Buyer shall be entitled to terminate the contract forthwith and to recover from the Seller the amount of any loss resulting from such termination.
- b) Any dispute, difference or question arising in respect of the interpretation of this Condition, the right of the Buyer to determine the contract or the amount or value of any such gift, consideration or commission, shall be decided by the Buyer whose decision shall be final and conclusive.

**17. Bankruptcy**

- a) If the Seller becomes insolvent or bankrupt or (being a company) makes an arrangement with its creditors or has an administrative receiver or administrator appointed or commences to be wound up (other than for the purposes of amalgamation or reconstruction). The Buyer may, without prejudice to its other rights:-
  - i. Cancel the order summarily by notice in writing without compensation to the Seller or
  - ii. Give any such receiver or liquidator or other person the option of carrying out the contract
  - iii. The seller (or any agent acting on its behalf) grants the buyer, its agents and employees irrevocable right to enter any premises where the goods are or may be stored in order to inspect them and where the title to the goods remain vested in the buyer, the right to recover them without further formality or notice to the Seller
- b) The exercise of any of the rights granted to the Buyer under sub-clause (a) hereof shall not prejudice or affect any right of action or remedy which shall have occurred or shall accrue thereafter to the Buyer.

**18. Recovery of Sums Due**

Whenever under the Contract any sum of money shall be recoverable from or payable by the Seller, the same may be deducted from any sum then due, or which at any time thereafter may become due, to the Seller under the Contract or any other Contract with the Buyer.

**19. Hazardous Goods**

Hazardous goods must be marked by the Seller with International Danger Symbol(s) and display the name of the material in English. Transport and other documents must include declaration of the hazard and the name of the material in English. Goods must be accompanied by emergency information in English, in the form of written instructions, labels or markings. Sellers shall observe the requirements of UK and International agreements relating to the packaging, labelling and carriage of hazardous

goods. It is the seller's responsibility to ensure that no hazardous or poisonous additives are used in the production process where the end use may include consumption of said additives.

**20. Statutory Provisions**

Any reference to a statute as statutory provision is deemed to include any amendment, re-enactment and/or extension of such statute or provision in force at the date of the contract.

**21. Law (English)**

The contract shall be governed by the laws of England and the jurisdiction of the English Courts.

The seller agrees to abide by local laws of employment, complying with local legislation with regards to pay, working hours and conditions.

**22. Notices**

- a) Any notices to be served by the Buyer or the Seller under any agreement shall be made in writing and sent by a recorded postal service or delivered by hand to the postal address.
- b) Any notices shall be deemed to have been served on the third business day after it was posted if it was sent via recorded service or upon delivery if delivered personally.

Ends.