

RIVERLEA LTD

CONDITIONS OF SALE

1. INTERPRETATION

1.1 In these Conditions:

'BUYER' means the person who accepts a quotation of the Seller for the sale of the Goods or whose order for the Goods is accepted by the Seller.

'CONDITIONS' means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in Writing between the Buyer and the Seller.

'CONTRACT' means the contract for the purchase and sale of the Goods.

'GOODS' means the goods (including any instalment of the goods or any parts of them) specified on the order form.

'SELLER' means Riverlea Ltd, Registered Office - Riverlea Ltd, Millfield, Whitland, SA34 0QQ.

'WRITING' includes telex cable facsimile transmission and comparable means of communication.

1.2 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.

1.3 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. BASIS OF SALE

2.1 The Seller shall sell and the Buyer shall purchase the Goods in accordance with any quotation of the Seller which is accepted by the Buyer or any order of the Buyer which is accepted by the Seller subject in either case to these Conditions which shall govern the Contract to the exclusion of any other terms and conditions subject to which any such quotation is accepted or purported to be accepted or any such order is made or purported to be made by the Buyer.

2.2 No variation to these Conditions shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.

2.3 The Seller's employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Seller in Writing. In entering into the Contract the Buyer acknowledges that it does not rely on and waives any claim for breach of any such representations which are not so confirmed.

2.4 Any advice or recommendations given by the Seller or its employees or agents to the Buyer or its employees or agents as to the storage application or use of the Goods which is not confirmed in Writing by the Seller is followed or acted upon entirely at the Buyer's own risk and accordingly the Seller shall not be liable for any such advice or recommendations which are not so confirmed.

2.5 Any typographical clerical or other errors or omission in any sales literature quotation price list acceptance of offer invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller.

2.6 For the purpose of Section 12 of the Sale of Goods Act 1979 the Seller shall transfer any such title or rights in respect of the Goods as the Seller has as if the Goods were purchased by the Seller from a

third party and shall transfer only such title or rights as that party had and transferred to the Seller.

3. ORDERS AND SPECIFICATIONS

3.1 No order submitted by the Buyer shall be deemed to be accepted by the Seller unless and until confirmed (in Writing) by the Seller's authorised representative.

3.2 The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer and for giving the Seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms.

3.3 The quantity quality and description of and any specification for the Goods shall be those set out in the Seller's quotation (if accepted by the Buyer) or the Buyer's order (if accepted by the Seller).

3.4 If any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer the Buyer shall indemnify the Seller against all loss damages costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the Seller in settlement of any claim for infringement of any patent copyright design trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification.

3.5 The Seller 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 or where the Goods are to be supplied to the Seller's specification which do not materially affect their quality or performance.

3.6 No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in Writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against all loss (including loss of profit) costs (including the cost of all labour and materials used) damages charges and expenses incurred by the Seller as a result of cancellation.

4. PRICE OF THE GOODS

4.1 The price of the Goods shall be the Seller's quoted price. All prices quoted are valid for 30 days only or until earlier acceptance by the Buyer after which time they may be altered by the Seller without giving notice to the Buyer.

4.2 The Seller reserves the right by giving notice to the Buyer at any time before delivery to increase the price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as without limitation any increase in the costs of obtaining the Goods from any third party or of labour materials or other costs howsoever arising) any change in the delivery rates quantities or specifications for the Goods which are requested by the Buyer or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.

4.3 The price is exclusive of any applicable value added tax and credit charge (if any) which the Buyer shall be additionally liable to pay to the Seller.

5. TERMS OF PAYMENT

5.1 Unless otherwise agreed by the Buyer in Writing the Buyer shall pay the price of the Goods in case of the whole goods on or before the date on which either delivery is made or the Seller notifies the Buyer that the Goods are ready for collection and in the case of other goods and services on or before the Twentieth day of the month following the month in which the Goods are invoiced.

5.2 Where the price of the Goods is to be paid by the Buyer by way of credit (within the meaning of Section 9 (1) of the Consumer Credit Act 1974) then the following sub-clauses shall have effect;

5.2.1 there shall be added to the purchase price of the Goods a charge (hereinafter reference to as "the Credit Charge") which shall be 6.5% of the net purchase price (exclusive of VAT) shown on the sales invoice made between the Seller and the Buyer.

5.2.2 where machinery or equipment or any other article or thing is taken by the Seller in part exchange for the Goods then the Credit Charge shall be 6.5% of the exchange price which said price shall be the difference between the purchase price (exclusive of VAT) shown on the sales invoice made between the Seller and the Buyer and the purchase price (exclusive of VAT) shown on the self billing invoice made between the Buyer and the Seller.

5.2.3 if the Buyer shall pay to the Seller the full amount of the purchase price or the full amount of the exchange price as the case may be (inclusive of VAT) within the period specified in the sales invoice then the Credit Charge shall not be payable by the Purchaser.

5.2.4 notwithstanding anything contained in the foregoing provisions the Seller hereby reserves to itself at all times and in all circumstances the rights to vary the percentage rate specified in sub-clauses 5.2.1 and 5.2.2 hereof together with the right to waiver the Credit Charge in such circumstances as it shall in its absolute discretion decide.

5.3 If the Buyer fails to make any payment on the due date then without prejudice to any other right or remedy available to the Seller the Seller shall be entitled to:

5.3.1 cancel the Contract or suspend any further deliveries to the Buyer.

5.3.2 cancel any credit facilities allowed by the Seller.

5.3.3 appropriate any payment made by the Buyer to such of the Goods (or the goods supplied under any other contract between the Buyer and the Seller) as the Seller may think fit (notwithstanding any purported appropriation of the Buyer).

5.3.4 charge the Buyer interest (both before and after any judgement) on the amount unpaid at the rate of 3% per month, or such other rate as the Seller may from time to time decide, until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest).

5.4 In the event that payment is made by cheque which is not met when first presented to its issuing bank, the Buyer will be liable to pay to the Seller on demand an additional charge of £25.00 or such further amount as the Seller shall from time to time determine.

6. DELIVERY

6.1 Delivery of the Goods shall be made by the Buyer collecting the Goods at the Seller's premises at any time after the Seller has notified the Buyer that the Goods are ready for collection or if some other place for delivery is agreed by the Seller by the Seller delivering the Goods to that place.

6.2 Any dates quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay in delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by the Seller in Writing. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer.

6.3 Where the Seller despatches the Goods under the instructions of the Buyer the Seller shall send them carriage paid at carrier's risk and may invoice the Buyer for all charges incurred. The Buyer must:

6.3.1 notify the Seller in Writing if the Goods have not been received within seven working days of receipt of the invoice of the Seller.

6.3.2 endorse the carrier's waybills "unexamined".

6.4 If the Seller fails to deliver the Goods for any reason other than any cause beyond the Seller's reasonable control or the Buyer's fault and the Seller is accordingly liable to the Buyer the Seller's liability shall be limited to the excess (if any) of the cost to the Buyer (in the cheapest available market) of similar goods to replace those not delivered over the price of the Goods.

6.5 If the Buyer fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Buyer's reasonable control or by reason of the Seller's fault) then without prejudice to any other right or remedy available to the Seller the Seller may:

6.5.1 keep any deposit paid in respect of the Goods.

6.5.2 store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage and delivery and handling charges.

6.5.3 sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over the price under the Contract or charge the Buyer for any shortfall below the price under the Contract.

7. PART EXCHANGE

Where the Seller agrees to allow part of the price of the Goods to be paid by the Buyer delivering a used vehicle or some used machinery or equipment to the Seller such allowance is given and received, and such vehicle machinery or equipment is delivered and accepted, as part of the sale and purchase of the Goods upon the following conditions:

7.1 when such used vehicle machinery or equipment is delivered to the Seller at any time subsequent to examination by the Seller, the used vehicle machinery or equipment shall be delivered in the same condition as and when so examined subject only to fair and tear, and either

7.2 the used vehicle machinery or equipment for which the Buyer has received an allowance is the Buyer's property absolutely and is not the subject of any hire purchase or credit sale agreement or any other legal encumbrance whatsoever, or

7.3 where the used vehicle machinery or equipment is the subject of a hire purchase or credit sale agreement capable of cash settlement by the Seller then such allowance shall be reduced by the amount required by the finance company in settlement thereof and so paid by the Seller.

8. RISK AND PROPERTY

8.1 Risk of damage to or loss of the Goods shall pass to Buyer:

8.1.1 in the case of Goods to be delivered at the Seller's premises at the time when the Seller notifies the Buyer that the Goods are available for collection; or

8.1.2 in the case of Goods to be delivered otherwise than at the Seller's premises at the time of delivery or if the Buyer wrongfully fails to take delivery of the Goods at the time when the Seller has tendered delivery of the Goods.

8.2 Legal and beneficial title to the Goods shall remain with the Seller until payment of the price of the Goods (together with any interest due) has been made in full.

8.3 Until this time the Buyer shall hold the Goods as bailee for the Seller and shall store the Goods in such a way as to enable them to be identified as the property of the Seller.

8.4 Notwithstanding the above, if the Buyer is purchasing the Goods for resale the Buyer may, as agent for the Seller, sell and deliver the Goods to a third party in the ordinary course of the Buyer's business.

8.5 It is a condition of the Buyer's agency that until payment for the Goods is made to the Seller, the Buyer shall hold all proceeds of sale of the Goods in trust for the Seller.

8.6 The Seller may revoke the Buyer's right to sell the Goods as agent for the Seller at any time by written notice and reserves the right to repossess any Goods in respect of which payment in full has not been made.

8.7 The Buyer grants an irrevocable right and licence to the Seller to enter upon all or any part of its premises, with or without vehicles, during normal business hours, for the purpose of exercising its right to repossess the Goods. This right shall continue even though the Contract has terminated.

8.8 The Seller may sue for the price of the Goods notwithstanding that title to the Goods has not passed to the Buyer.

8.9 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller but if the Buyer does so all moneys owing by the Buyer to the Seller shall (without prejudice to any other right or remedy of the Seller) forthwith become due and payable.

9. WARRANTIES AND LIABILITY

9.1 Subject as expressly provided in these Conditions and except where the Goods are sold to a person dealing as a consumer (within the meaning of the Unfair Contract Terms Act 1977) all warranties

conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

9.2 Where the Goods are sold under a consumer transaction (as defined by the Consumer Transactions Restrictions on Statements Order 1976) the statutory rights of the Buyer are not affected by these Conditions.

9.3 Any claim by the Buyer which is based on any defect in the quality or condition of the Goods or their failure to correspond with specification shall (whether or not delivery is refused by the Buyer or notified to the Seller within 7 days from the date of delivery or where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure if delivery is not refused and the Buyer does not notify the Seller accordingly the Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect or failure and the Buyer shall be bound to pay the price as if the Goods had been delivered in accordance with the Contract.

9.4 Where any valid claim in respect of any of the Goods which is based on any defect in the quality or condition of the Goods or their failure to meet specification is notified to the Seller in accordance with these Conditions the Seller shall be entitled to replace the Goods (or the part in question) free of charge or at the Seller's sole discretion refund to the Buyer the price of the Goods (or a proportionate part of the price) but the Seller shall have no further liability to the Buyer.

9.5 Except in respect of death or personal injury caused by the Seller's negligence the Seller shall not be liable to the Buyer by reason of any representation or any implied warranty condition or other term or any duty at common law or under the express terms of the Contract for any consequential loss or damage (whether for loss of profit or otherwise) costs expenses or other claims for consequential compensation (and whether caused by the negligence of the Seller its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods or their use or resale by the Buyer.

9.6 The Seller shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing or any failure to perform any of the Seller's obligations in relation to the Goods if the delay or failure was due to any cause beyond the Seller's reasonable control. Without prejudice to the generality of the foregoing the following shall be regarded as causes beyond the Seller's reasonable control:

9.6.1 Act of God, explosion, flood, tempest, fire or accident;

9.6.2 war or threat of war sabotage insurrection civil disturbance or requisition;

9.6.3 Acts restrictions regulations bye-laws prohibitions or measures of any kind on the part of any governmental parliamentary or local authority;

9.6.4 strikes, lockouts or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);

9.6.5 difficulties in obtaining raw materials, labour, fuel, parts or machinery;

9.6.6 power failure or breakdown in machinery.

9.7 Warranties

9.7.1 The Seller shall not be liable to carry out any repairs to the Goods (or any part thereof) or to replace the Goods (or any part thereof) pursuant to any manufacturer's warranty, scheme or otherwise ("a warranty").

9.7.2 Notwithstanding the provisions of Clause 9.7.1 in the event that the Seller does agree to replace the Goods (or any part thereof) under a warranty:

9.7.2.1 the Seller's liability to the Buyer to commence or to continue replacing or repairing the Goods (or any part thereof) shall forthwith cease on the occurrence of any of the following events:

(a) if the manufacturer shall cease business.

(b) if the manufacturer being a company goes into liquidation or has a receiver or manager appointed to it or is struck off the register of companies.

(c) if the manufacturer being an individual (or where the manufacturer is a firm any partner in that firm) shall become bankrupt or (in Scotland) become insolvent or notour bankrupt.

9.7.2.2 a reasonable time and opportunity to remedy the defect or comply with a warranty shall be given, provided however, that any costs or expenses incurred by the Seller shall be paid to the Seller by the Buyer and provided also that if, owing to the failure of the Buyer to comply with any term imposed by the manufacturer, the manufacturer is not bound to replace or repair the Goods the Seller shall be under no liability to the Buyer in this respect.

9.7.2.3 the total liability of the Seller to the Buyer in respect of any claim made or against the Seller by reason or as a result of any default by the Seller or by any manufacturer of goods sold to the Buyer in the performance of its obligations under a warranty shall be limited to the purchase price paid by the Buyer for the Goods in respect of which the claim is made and in any event to claims made within one year of the date of delivery of Goods to the Buyer.

10. INSOLVENCY AND DEFAULT

If the Buyer:

10.1 shall convene a meeting of its creditors; or

10.2 shall be the subject of a proposal for a voluntary arrangement within Part I of the Insolvency Act 1986; or

10.3 shall be the subject of any other proposal for any composition, scheme of arrangement with, or assignment for, the benefit of its creditors; or

10.4 shall be unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or

10.5 shall have a trustee, receiver or administrative receiver or similar officer appointed in respect of all or any part of its business or assets; or

10.6 shall be subject to a petition presented for its winding up or for the making of an administration order; or

10.7 shall cease to carry on, or shall threaten to cease to carry on, its business or any substantial part of its business; or

10.8 shall convene a meeting, or to be the subject of a meeting convened, for any of the foregoing purposes; or

10.9 shall commit any breach of the Contract or any other contract between the Seller and the Buyer;

the Seller may without affecting any of its other rights stop any Goods in transit and/or suspend further deliveries and/or by notice in Writing to the Buyer immediately end the Contract.

11. GENERAL

11.1 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

11.2 No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.

11.3 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.

12. SUB-CONTRACTING

The Seller reserves the right to sub-contract the whole or any part of the Contract.

13. ASSIGNMENT

The Buyer shall not assign or purport to assign the Contract without the prior written consent of the Seller.

14. GOVERNING LAW

These terms and conditions shall be governed by and construed in accordance with the laws of England and the parties submit to the non-exclusive jurisdiction of the English Courts.