

CONDITIONS OF PURCHASE

IMPORTANT

THESE CONDITIONS CONTAIN PROVISIONS WHICH DEFINE THE CONTRACTUAL OBLIGATIONS OF THE COMPANY AS TO PRICE AND PERFORMANCE AND WHICH LIMIT THE AUTHORITY OF EMPLOYEES OR AGENTS OF THE COMPANY TO MAKE STATEMENTS AND REPRESENTATIONS, BY YOUR ACCEPTANCE OF THIS ORDER YOU ACCEPT THESE CONDITIONS.

1. INTERPRETATION

In these conditions "the Company" means Innovation Waste Management Limited, "the Seller" means the person, firm or company with which the Company shall conclude a contract for the purchase of Goods, "Order" means a purchase order submitted by the Company to the Seller incorporating these conditions, "Goods" means the goods (if any) described in the Order, "Services" means the services (if any) described in the Order, and "Work" means either the supply of Goods or provision of Services or both of them.

2. GENERAL

2.1 No variation or abrogation of the Order shall be effective unless evidenced in Writing, signed by a duly authorised officer of the Company and containing a specific reference to these Conditions being varied or being abrogated.

2.2 The commencing of any work by the Seller, the acceptance of any deposit paid by the Company or any other conduct of the Seller pursuant to the Order shall constitute unqualified acceptance by the Seller of the Order.

3. PURCHASE AND SUPPLY

3.1 The Seller shall sell and deliver and the Company shall purchase and take the Goods (and any services in relation thereto) and the Services.

3.2 The Seller shall manufacture the Goods and/or provide the Services in accordance with any specification, drawing or instructions provided or given by the Company and any modifications thereto made by the Company and shall be liable for all losses to the Company arising from the Seller's failure to do so.

4. PRICE AND PAYMENT

4.1 Time for payment shall not be of the essence of the contract.

4.2 It shall be a pre-condition at payment that all invoices shall bear the Order number shown on the Order.

4.3 Unless otherwise expressly agreed in writing by the Company, all payments for Work pursuant to the Order shall be made in Sterling and the price for the Work shall be as stated in the Order on the terms therein stated. The Company shall only be liable for the price as expressly authorised herein unless otherwise agreed in writing by the Company. The price for the Work as stated in the Order shall unless otherwise stated be inclusive of, inter alia, packaging, freight and insurance costs, delivery charges, customer's duties and charges for special tests requested by the Company and in no event whatsoever will the Company be liable to make any payment for, or in respect of, the Work (including delivery thereof in accordance with Condition 6) or services in relation thereto in excess of such stated price. If there is any reduction in the cost to the Seller of supplying the Work the price payable by the Company shall be reduced by an amount equal to such reduction.

4.4 Unless otherwise stated in the Order, the Company shall pay the price of the Work on the last day of the month following the month of receipt by the Company of a proper invoice or acceptance of the Goods or Services by the Company which ever event is later.

4.5 The statutory and any express or implied right of the Seller to a lien over the Goods and to any rights of stoppage in transit are hereby expressly excluded.

4.6 The Seller shall provide a statement not later than the 10th day of each month containing such details as the Company may from time to time specify.

5. PACKAGING

5.1 The Seller shall ensure that the Goods are properly packaged so that they are delivered in perfect condition. Any packaging cases or materials may be returned at the Seller's risk, cost and expense

5.2 Without prejudice to clause 5.1 individual packages shall be packaged to comply with reasonable safety standards and to enable handling by mechanical means and if the Goods are not so packaged the Company may, at its option, reject the Goods or require the Seller at the Seller's cost to repack the Goods.

6. DELIVERY

6.1 The Seller shall deliver the Goods at and the Services shall be performed at the price and on the date or dates stated in the Order. The Seller shall deliver the Goods between the hours of 9.00 am and 4.00 pm Monday to Friday (including Public holidays) and provide the services during the Company's normal business hours unless otherwise agreed in writing by the Company. Time for delivery of Goods or performance of Services shall be of the essence. Delivery of Goods shall only have taken place on the physical transfer of the Goods to the Company at the address for delivery stated in the Order and delivery to a carrier shall not be delivery to the Company.

6.2 If the Company so requests, the Work shall be delivered in instalments and time for delivery of each instalment shall be of the essence. Failure to deliver on time will entitle the Company to terminate the contract.

6.3 The Seller shall, on the same day that the Goods are despatched or the Services are commenced, and under separate cover post to the Company an advice note as to such despatch and/or commencement and an invoice (except that unless otherwise agreed, Work delivered in instalments shall be invoiced when all the Work constituting the contract has been provided or delivered) and ensure that a delivery note accompanies the Goods. The Company may, at its option, reject Goods in respect of which the delivery note does not bear the Order number.

6.4 The Company shall be entitled to postpone the date or dates for delivery of the Goods and/or provision of the Services in the event of act of God, war, riots, strikes, lock outs, trade disputes, fires, breakdowns, mechanical failures, disruption of energy supplies, interruption of transport, Government action or any other cause whatsoever outside the Company's control which affects the Company's business whether or not of like nature to those specified above. In the event that the delivery date is so postponed, the provisions of paragraphs 6.21 and 6.2 shall apply to such postponed date. The Company may in the notice suspending delivery, stipulate a period of suspension at the expiry of which, if the event still prevails, the Company may, at its option cancel the Order without incurring any liability arising therefrom.

6.5 Without prejudice to paragraph 6.4 in the event of any delay in delivery, for whatever reasons and whether or not resulting from the fault of the Company or the Seller, the Seller shall pay for all storage costs of the Goods.

6.6 The Seller shall notify the Company forthwith of any circumstances arising or anticipated to arise which may affect delivery of the Work at the agreed times.

6.7 All deliveries of Goods shall be accompanied by instructions relating to the use of the Goods ("the Instructions").

7. TRANSFER OF TITLE TO THE GOODS

Title to the goods shall pass to the Company on delivery, unless payment for the Goods is made prior to delivery, when it shall pass to the Company once payment has been made.

8. RISK

8.1 The Goods are at the risk of the Company from and only from the time of delivery at the agreed delivery address which shall be determined as the time at which a copy of the delivery notice accompanying the Goods is signed by a duly authorised employee or agent of the Company.

8.2 Notwithstanding, and in addition to, any implied obligations the Seller may be under by virtue of the fact that the Goods remain at the risk of the Seller until delivery the Seller shall forthwith replace free of charge any Goods destroyed, damaged, lost or which have deteriorated during the course of transit Section 33 of the Sale of Goods Act 1979 shall not apply.

9. GUARANTEE, FITNESS, QUALITY, QUANTITY AND INDEMNITY

9.1 If within the period after delivery named in the Order (if any) (herein after called "the guarantee period") the Company gives notice to the Seller of any defects in the Goods which shall arise under proper use from faulty manufacture or design (other than a design made, furnished, or specified by the Company for which the Seller has in writing disclaimed responsibility), materials or workmanship, then the Seller shall forthwith, at the Company's option, replace or repair the Goods so as to remedy the defects without cost to the Company.

9.2 The Company shall as soon as practicable after discovering any such defect or failure notify the Seller of the defects and return the defective Goods or parts thereof to the Seller 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 by the Seller on the Company's premises.

9.3 All Goods supplied shall without prejudice and in addition to any terms as to fitness for purpose, merchantability or conformity with description or sample which may be implied by statute or otherwise;

9.3.1 conform in all respects to any description, design or specification in or referred to in the order and any literature whether of a promotional character or otherwise, issued in connection with the Goods;

9.3.2 be fit a sufficient for the purpose for which they are to be used at the time they are first to be used and for a reasonable period of time thereafter;

9.3.3 be of merchantable quality and free from defects whether latent or patent, in design, material or workmanship;

9.3.4 be so designed and manufactured as to be safe and without risks to health or property when properly used;

9.3.5 meet any standard of inspection stated or referred to in the order;

9.3.6 comply with the requirements of any relevant United Kingdom or foreign statute, statutory rule or order regulation or standard whether having the force of law or not which may be in operation on delivery;

9.3.7 where a sample or samples are provided by the Seller, the Goods shall conform in all respects with the sample or samples.

9.4 The Seller warrants that the Instructions shall be complete and accurate to enable the Goods to be used and shall contain warnings of any dangers that may be met in their handling or application

9.5 The Seller shall on demand supply to the Company the name and address of any person other than the Seller who actually or apparently produced the Goods (or any part or component thereof) or imported them into the EU or the United Kingdom or previously supplied them.

9.6 The Company's rights (including the Company's rights to reject the Goods) against the Seller under the provisions of paragraph 9.2 shall in no way be prejudiced if the Goods are not inspected until used or if the Goods are shown to be unsuitable or defective after they are put into use. Any such inspection shall not constitute acceptance of the Goods and paragraph 9.2 shall remain in full force and effect whether or not such inspection revealed, or should have revealed, any defect of the Goods.

9.7 The skill and judgement of the Seller in relation to the Goods and provision of Services are relied upon.

9.8 The Seller warrants the company that the Services will be performed by appropriately qualified and trained personnel, with due care and diligence and to the highest professional standards.

9.9 Notwithstanding, and in addition to, the foregoing provisions, the Seller shall fully indemnify, and keep fully indemnified the Company from and against all losses, actions, costs, expenses, claims or demands whatsoever and all loss or damage (including consequential loss or damage and loss of profit), suffered by the Company as a result of the supply of Work, any misrepresentation by the Seller, delays in production or lost orders or any other loss caused by, or arising out of any breach of contract or tort by the Seller.

10. PROGRESS, INSPECTION AND QUALITY ASSURANCE

10.1 The Company may itself or through its nominees upon giving reasonable notice to the Supplier inspect progress of Work under the Order or any part thereof whether at the Seller's premises or the premises of any sub-contractor and subject work under the Order to its quality assurance procedures during normal business hours at any time before completion, but such inspection shall not relieve the Seller from any responsibility or liability or imply acceptance or approval by the Company.

10.2 The Seller shall afford the Company and/or its nominees all such facilities as may be necessary to enable the Company to exercise its rights under clause 10.1 at no extra cost.

10.3 The Company may adopt any reasonable means to satisfy itself that the Work is being carried out in accordance with the Order and without prejudice to all other rights the Company may reject any part of the Goods and/or Services which does not conform with the agreed specification or the Order and if any Goods and/or Services be so rejected then the Seller shall immediately execute it afresh to the Company's reasonable satisfaction and in accordance with the Order.

11. REJECTION OF GOODS AND SELLER'S INSOLVENCY

11.1 If the Seller shall default in or commit any breach at any of its obligations under the Order (whether classified or described as a condition, warranty or otherwise and whether or not the Company has accepted the Goods and/or Services or part thereof and whatever the nature and consequence of such default or breach) the Company shall be entitled to reject all or any part of the Goods and/or Services and to determine any contract then subsisting without prejudice to any other claim or right the Company might make or exercise or to reject all or any part of the Goods and/or Services and require the Seller to take such steps as may be necessary to replace the Goods and/or Services so that Goods and/or Services in conformity with the terms of the Order are delivered.

11.2 If any execution or distress shall be levied upon the Seller or if the Seller shall cease or threaten to cease to carry on its business, or enter into any negotiation for arrangements or composition with its creditors or commit any act of bankruptcy or if any petition in bankruptcy shall be presented against it or, if the Seller is a corporate body, and resolution is proposed or petition presented to wind up the Seller or if a receiver of the Seller's assets or undertaking or any part thereof shall be appointed, the Company shall be entitled to determine forthwith any contract then subsisting with the Seller, whether or not a contract to which these Conditions apply, without prejudice to any other claim or right the Company might make or exercise.

11.3 In the event of the exercise by the company of the right to reject the Goods or to determine or cancel the contract or order, any deposit paid by the company shall be repaid within 7 days of each rejection or determination and the Company shall, in addition to all other rights and remedies it may have, have the right to recover from the Seller all such costs and expenses (including increased price) the Company may incur in obtaining the alternative supplies or the provision of alternative services, any loss (including loss of profit) suffered by the company as a result of delays in production or lost contracts, and any storage, insurance, transport or other expenses the Company may incur in respect of the Goods or Services.

11.4 Where all or part of the Goods are rejected the Seller shall, if requested, collect the Goods (or any part thereof) during the company's normal business hours at its own cost and expense, but the Company shall not in any event be under any duty to return the Goods (or such part thereof) to the Seller whether or not it intimates to the Seller its rejection of them and shall be under no liability whatsoever, whether in contract or in tort and whether as bailee or in any other capacity, for any theft or loss of, or damage to, or destruction of, the Goods (or such part thereof) however caused, and shall be under no obligation to insure the Goods (or such part thereof) whilst in its possession and any obligation to take reasonable care of all exercise caution in respect of the Goods (or such part thereof) is hereby expressly excluded. If the Seller fails to collect the Goods (or such part thereof) as requested within 7 days of such request the Company may return the Goods (or such part thereof) to the Seller entirely at the risk and expense of the Seller. Notwithstanding the forgoing the Company shall have a lien over the Goods in respect of any part of the price actually paid by the Company for the Work and in respect of any deposit paid by the Company.

12. INSURANCE

12.1 The Seller shall at all times during the continuance of the Order and thereafter maintain product liability insurance in an amount not less than £5,000,000 (five million pounds) to indemnify the Seller and the Company and the Seller hereby indemnifies and shall continue to keep indemnified and save harmless the Company and its affiliated companies and employees and representatives of such parties from and against all claims, proceedings, damages and actions which may be brought by a third party against either the Company or the Seller in respect of the use or operation or malfunction of the goods supplied under the Order and all awards and settlements made in respect thereof and all costs, damages, losses, expenses and fees thereby incurred.

12.2 The Seller shall provide to the Company a copy of the insurance policy referred to at clause 12.1 and copies of receipts and premia in respect thereof within 14 days of written request to do so by the Company.

12.3 The Seller shall upon request by the Company at the Seller's cost take control of the defence of any such claims or proceedings howsoever arising.

12.4 Without prejudice to the provisions of clause 12.1, the Seller shall indemnify the Company against any liability which the Company may incur from any other person whatsoever and against all claims, costs, proceedings, damages, expenses made against or incurred by the Company by reason of any use of the Goods and/or Services, or any act, omission, or breach of statutory duty of the Seller, his employees, sub-contractors or agents or any other breach or default of the Seller in performance of the Order.

13. TITLE AND PATENTS

Without prejudice to, and in addition to, any terms as to title which may be implied by statute or otherwise the Seller specifically warrants that it has a right to sell the Goods, that the Company shall have and enjoy throughout the use of the Goods quiet possession of the Goods and that the Goods are and shall be free from any charge, lien, pledge or encumbrance in favour of the Seller or any third party and in the event of any claim being made or action brought or threatened against the Company in respect of infringement of patent, trade marks, trade names, registered designs or any other industrial property rights in respect of the Goods the Seller shall fully indemnify and keep the Company fully indemnified from and against all costs, expenses, loss or damage incurred by the Company in respect of any such claim being made or such action being brought except where the Goods are manufactured to a design supplied by the Company and such claim or action is directly and exclusively referable in such design.

14. SUB-CONTRACTING

No Order whether in whole or in part shall be sub-contracted without the Company's prior written approval, which approval, if given, shall not relieve or vary the obligations or liabilities of the Seller under this Order.

15. CONFIDENTIALITY

All specifications, plans, drawings, patterns, blue prints, descriptions, designs, formulations, know-how, technical information and advice and all intellectual property rights therein supplied by the Company to the Seller in connection with the Order shall remain the property of the Company and all of the foregoing and any information derived therefrom or otherwise communicated to the Seller in connection with the Order shall be treated by the Seller as confidential and shall not without the consent in writing of the Company be published or disclosed to any third party or made use of by the Seller except to the extent necessary to implement the Order.

16. IMPORT CONTRACTS

The Seller shall obtain and maintain all necessary import and export licences in respect of Goods.

17. NOTICES

Any notice to be given by the Seller to the Company shall be sent to Innovation Waste Management Limited at their registered address marked for the attention of the "Purchasing Department", and any notice to be given to the Seller shall be sent to the Seller's registered office or, in the case of an individual or firm, to the Seller's last known address. All notices shall be in writing in English and may be served first class pre-paid post or confirmed telefacsimile with correct answerback and shall be deemed to have been given on the next working day following despatch in the case of notices sent by telefacsimile or three days after posting in the case of postal service.

18. ASSIGNMENT

18.1 The Seller shall not assign or transfer or purport to assign or transfer the Order of the benefit hereof, to any other person, whatsoever without the written consent of the Company.

18.2 The Seller agrees that in the event that the Goods are re-sold by the Company to a third party, the undertakings contained in Condition 9 will be undertaken by the Seller for the third party.

19. SEVERANCE

If any provision of these Conditions is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable the remaining provisions shall remain in full force and effect unless the Company in its discretion decides that they effect of such declaration is to defeat the original intention of the parties in which event the Company shall be entitled to terminate any contract with the Seller forthwith.

20. PROPER LAW

This Agreement shall be governed by and construed in accordance with English law. The parties hereto agree to submit to the exclusive jurisdiction of the English courts.

21. HEADINGS

No regard shall be had to the heading of any Clause of these Conditions in construing any of the Conditions.

22. SET-OFF

The Company shall be at liberty to set-off from sums due to the Seller whether under an Order or otherwise any lawful set-off or counter claim to which the Company may at any time be entitled and to withhold sums due to the Seller in the event of any claim against or dispute with the Seller whether under an Order or otherwise.

23. MISCELLANEOUS

23.1 The provisions of the Order and these Conditions are in addition to any statutory or common law or rights of the Company.

23.2 The termination of a contract, howsoever occasioned, shall be without prejudice to any obligation or rights on the part of either party which have accrued prior to such termination and shall not affect or prejudice any provision of the Conditions which is expressly or by implication provided to come into effect on, or continue in effect after, such termination.

23.3 No waiver by the Company of any breach of these Conditions by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.