

**PERMALI GLOUCESTER LIMITED
TERMS AND CONDITIONS OF PURCHASE**

These Terms and Conditions shall form part of the Contract between Permal Gloucester Limited ("the Purchaser") and the Supplier in relation to the Goods and Services which are the subject of the Order. "Supplier" where used in these conditions shall mean the person, firm or company to whom the Order is addressed.

Definitions

Order - the Purchaser's written instructions to provide the Goods and Services

Goods and Services - any goods or services agreed in the contract purchased by the Purchaser

Contract - the Order and the Supplier's acceptance of the Order

1. Application of Terms and Acceptance

Each order by the Purchaser for goods or services from the Supplier shall be deemed to be an offer by the Purchaser to buy Goods or Services subject to these terms and conditions and the Order shall not be binding upon the Purchaser until accepted by the Supplier in writing or impliedly by the fulfillment of the Order. Other terms and conditions shall only apply where expressly agreed in writing by the Purchaser.

2. Authority

The Purchaser shall not be liable for any Order, Order amendment or instructions to proceed with Orders unless and until authorized or confirmed on the Purchaser's printed Order or Amendment form.

3. Prices

Unless specifically agreed otherwise all prices in the Order shall be fixed firm and not subject to any form of surcharge or variation.

4. Cancellation

The Purchaser shall be entitled to cancel the Order or any part thereof and/or claim for reimbursement for all losses and expenses suffered in the event:

- a) the supplier fails to deliver Goods or provide Services in accordance with the terms of the Order or within the agreed time or period.
- b) the supplier fails to make progress with the Order so as to jeopardize the purpose of the Order.

5. Sub Contracting

None of the work covered by the Order shall be sub-contracted without the prior permission of the Purchaser except as is customary in the trade. The Supplier shall remain responsible for the performance of the Order.

6. New Materials

Unless specifically agreed otherwise all materials to be supplied under the Order are to be new. The Goods should be of an appropriate design, quality and workmanship, without fault and conform in all respects with the Order and specification if provided by the Purchaser to the Supplier. For trade within the UK The Sale of Goods Act 1979 will apply, in addition to the rights expressed herein.

7. Inspection

The Supplier shall provide the Purchaser with such certificates, records of inspection, work and materials procured as the Purchaser requires. The Purchaser's inspector or representative and any inspector or representative of the Purchaser's customer or his agent shall be entitled on the Purchaser's authority to witness the inspection or testing of the Goods or work which are the subject matter of the Order at any reasonable time at the Supplier's premises or the premises of the Supplier's sub-contractor.

8. Delivery, Packing and Marking

All Goods supplied against the Order must be adequately protected against damage and deterioration in transit and delivered carriage paid or as otherwise notified in writing to the Supplier and must bear the Purchaser's Order number on the packaging and delivery paperwork. The Goods shall be at the Supplier's risk until delivered to the Purchaser at the place specified in the Order. Unless otherwise provided in the Order all containers and packing materials provided by the Supplier are to be considered non-returnable and their costs shall be included in the price. Where the Purchaser receives Goods unexamined the Purchaser's right to subsequently inspect the Goods and reject them should they not comply with the specification shall not be prejudiced. When Goods are rejected they shall be returned at the Supplier's risk and expense.

9. Late Delivery

Any time or period for delivery despatch or completion shall be of the essence. The Supplier shall deliver the Goods or Services in the manner and at the time(s) specified by the Purchaser on the Order. If the Supplier fails to deliver any or all of the Goods or Services covered by this Order in accordance with such manner and time(s) the Supplier shall pay the Purchaser on demand the lower of either a sum calculated at the rate of 0.1% per day of the value of the Goods or Services Order or 10% of the value of the Goods or Services (or such other sum percentage and/or period as may be specified in the Order) by way of liquidated damages. The parties agree that the amount of liquidated damages referred to above is a genuine pre-estimate of the damage which may be suffered by the Purchaser. If the Goods or Services are not delivered on the due date, then without prejudice to any other rights the Purchaser shall have the right to: a) cancel the Contract in whole or part; b) refuse to accept any subsequent delivery of the Goods or Services.

10. Passing of Property

The property in the Goods shall pass to the Purchaser on delivery but without prejudice to the Purchaser's rights of rejection. Where the Goods consist of plant, machinery, tools or moulds, delivery will be deemed to have taken place only when the Goods have been installed and are working to the Purchaser's satisfaction.

11. Payment

11.1 Payment of Supplier's invoices, delivered no earlier than the supply of Goods or Services, shall be a minimum of 60 days from the end of the month following the date of suppliers invoice or delivery of Goods or service whichever is the later unless otherwise agreed in writing.

11.2 Inattention of the following details may result in delayed payment but no prompt payment discount shall be forfeit on account of the Supplier's failure:

- a) to send on the day of despatch for each consignment advice of despatch
- b) to mark the Purchaser's order number on the consignment packaging, advice of despatch, invoices and all other correspondence
- c) to provide the Purchaser with such certificates, records of inspection, work and materials procured as required under the Order

12. Suspension

In the event of any alteration of the Purchaser's business due to circumstances beyond the Purchaser's control including but not limited to industrial dispute, fire, explosion, accident or act of God which would prevent or hinder the use of Goods or Services which are the subject of the Order the Purchaser shall have the right to suspend the Order until such circumstances have ceased. Any reduction in the Purchaser's customer's requirement shall be deemed a circumstance beyond the Purchaser's control.

13. Tools and Materials

All materials, copyright, design rights or other intellectual property rights in drawings, moulds, tools or other property supplied by the Purchaser or supplied at the Purchaser's expense or manufactured at the Purchaser's expense shall be and remain the exclusive property of the Purchaser. The Supplier shall accept full responsibility for the proper storage, safe custody and method of use and shall accept the risk of loss or damage howsoever arising. Any such property shall be clearly marked as belonging to the Purchaser and shall be used by the Supplier solely for performing the work or service covered by the Order and shall be returned at the Supplier's expense on completion of the work unless otherwise agreed by the Purchaser in writing. Surplus or scrap materials shall be disposed of in accordance with the Purchaser's instructions.

14. Confidentiality and Publicity

The Supplier shall treat all information provided by the Purchaser as confidential and use such information only for the work or service covered by the Order. Where drawings or data are provided the Supplier shall exercise proper custody and control and return or dispose of such items in accordance with the Purchaser's instructions. The Supplier shall not without prior written consent advertise or publish the fact that the Purchaser has placed the Order with the Supplier.

15. Defective Materials/Workmanship

15.1 The Supplier shall indemnify the Purchaser in full and in respect of any or all expenses or claims resulting directly or indirectly from defective materials Goods workmanship quality or design supplied by the Supplier under the Order or any infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods. Any or all defective items shall be repaired or replaced at the Supplier's expense.

15.2 The Supplier shall indemnify the Purchaser in respect of damage loss or injury to any person or property by reason of negligence act or omission on the part of the Supplier and/or the Supplier's employees sub-contractors or agents as a result of work being carried out under the Order.

16. Contractors

Contractors shall undertake to perform all work and provide all Services covered by the Order (including without limitation use equipment, materials and substances) in compliance with all relevant regulations in force at the time of performance. Contractors shall indemnify the Purchaser in respect of all claims, liabilities, penalties, costs and damages suffered or incurred by the purchaser as a direct or indirect consequence of any breach by the contractor of its obligations under this clause.

17. Termination

17.1 The Purchaser shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Supplier written notice whereupon all work on the Contract shall be discontinued and the Purchaser shall pay to the Supplier fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.

17.2 Either Party shall have the right at any time by giving notice in writing to the other party to terminate the Contract forthwith if the other party commits a material breach of any terms and conditions of the Contract.

17.3 The Purchaser shall have the right at any time by giving notice in writing to the Supplier to terminate the Contract forthwith if:

(a) the Supplier commits a material breach of any of the terms and conditions of the Contract; or

(b) any distress, execution or other process is levied upon any of the assets of the Supplier; or

(c) the Supplier has an administration order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Supplier or notice of intention to appoint an administrator is given by the Supplier or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a resolution is passed or a petition presented to any court for the winding-up of the Supplier or for the granting of an administration order in respect of the Supplier, or any proceedings are commenced relating to the insolvency or possible insolvency of the Supplier; or

(d) the Supplier ceases or threatens to cease to carry on its business; or

(e) the financial position of the Supplier deteriorates to such an extent that in the opinion of the Purchaser the capability of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy.

17.4 The termination of the Contract, however arising, shall be without prejudice to the rights and duties of the Purchaser accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.

18. Remedies

Without prejudice to any other right or remedy which the Purchaser may have, if any Goods or Services are not supplied in accordance with, or the Supplier fails to comply with, any of the terms of the Contract the Purchaser shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods or Services have been accepted by the Purchaser:

(a) to rescind the Order;

(b) to reject the Goods or Services (in whole or in part) and return them to the Supplier at the risk and cost of the Supplier on the basis that a full refund for the Goods or Services so returned shall be paid forthwith by the Supplier;

(c) at the Purchaser's option to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods or Services or to supply replacement Goods or Services and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;

(d) to refuse to accept any further deliveries of the Goods or Services but without any liability to the Supplier;

(e) to carry out at the Supplier's expense any work necessary to make the Goods or Services comply with the Contract; and

(f) to claim such damages as may have been sustained in consequence of the Supplier's breach or breaches of the Contract.

19. Assignment

19.1 The Supplier shall not be entitled to assign the Contract or any part of it without the prior written consent of the Purchaser.

19.2 The Purchaser may assign the Contract or any part of it to any person, firm or company.

20. Rights of Third Parties

The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

21. Health and Safety at Work Act 1974

In accordance with the requirements of the Health and Safety at Work Act 1974 and any re-enactment thereof, any safety precautions required for the handling of Goods or materials supplied under the Order shall be clearly indicated on each consignment.

22. Government and other Special Conditions

Where Government or other conditions are incorporated by reference in the Order such special conditions shall apply.

23. Waiver

Any concession or indulgence made by the Purchaser shall not be considered as a waiver of the Purchaser's rights under the Order unless specifically authorised in writing on the Purchaser's printed Order or amendment form.

24. Indemnity

The Supplier shall indemnify the Purchaser against all claims costs expenses losses or damages whether direct or consequential which the Purchaser may suffer howsoever arising from the Supplier's failure to fulfill any or all of its obligations under the Order

25. Human Rights

The Supplier confirms that the company and the supply chain comply with international standards regarding the use of child labour, anti-slavery legislation and human trafficking.

26. Law

The construction validity and performance of the Order shall be governed by the Law of England and subject to the exchange jurisdiction of the English courts.

27. Non-conforming Product

Any deviations must be notified to the buyer identified on the Purchase Order, who may, if appropriate, arrange to raise concessions/production permits on your behalf. Acceptance by the company of a concession allowing the use of nonconforming product may not absolve the supplier from responsibility for any subsequent failures in-service resulting from this deviation, depending upon circumstances documented. It is imperative that you state the company concession reference number on your Certificate of Conformity or delivery note.

28. Notification of Changes

The supplier must notify and gain written approval for any changes in:

- (a) the product, any raw material product or process used
- (b) supplier for material or subcontract process
- (c) manufacturing facility or location