

CONDITIONS OF PURCHASE – GOODS AND SERVICES

In these conditions “the Company” means Glenfield Valves Ltd. and “the Supplier” means any person, firm or company with whom the Company places any contract for the purchase of Goods and/or Services.

APPLICATION OF THESE CONDITIONS

1.1 The Company only enters into contracts for the purchase of Goods and Works subject to these Terms and Conditions. The Conditions and Terms can only be altered or qualified by a document signed

by a Manager of the Company and setting out in full the relevant alterations and qualifications.

1.2 The Contract shall require the Supplier to supply the Goods and Works detailed in the Company’s order and in any specification drawings or designs referred to therein or prepared in accordance therewith and the Supplier shall be responsible prior to contract to satisfy itself of the feasibility of the Contract and of all circumstances and conditions relating to availability of materials/resources components and other goods and equipment required in the execution of the Contract and the conditions on site so far as the same may affect the performance of the Works.

ORDER

2.1 Contracts should only be commenced on receipt of an official order number from the Company.

2.2 Instructions and variations to the Contract must be confirmed on an official order of the Company without which payment may be withheld.

SPECIAL CONDITIONS

3.1 All terms of the order as to description, specification, price, weight, quality shall be Conditions of the Contract and any breach thereof shall entitle the Company to treat the Contract as repudiated by the Supplier and to claim damages.

DELIVERY

4.1 The Goods shall be properly packed and secured in such a manner so as to reach their destination safely and in good condition and shall (unless otherwise directed by the Company) be delivered by the supplier to the Company’s premises carriage paid.

4.2 Delivery shall be effected when the Goods have been unloaded and the delivery has been accepted by a duly authorised officer, employee or representative of the Company.

4.3 In the event that Goods are delivered before the date specified in the Contract then the Company shall be entitled at its sole discretion to refuse to take delivery or charge for insurance and storage thereof until the contractual date for delivery.

4.4 If for any reason the Company is unable to accept delivery of the Goods at the time when the Goods are due and ready for delivery the Supplier shall at its expense store the Goods for a reasonable time having regard to the circumstances and shall safeguard them and take all reasonable steps to prevent their deterioration until their actual delivery.

4.5 Stores opening times are Mon – Thurs 8 - 3.30 and Friday 8 - 12.00.

TIME

5.1 Where time is specified such provision shall be of the essence of the Contract.

5.2 Failure by the Supplier to adhere to any provision as to time contained in the order or in any programme supplied pursuant thereto shall entitle the Company at its option to treat the Contract as repudiated in whole or in part. The Company shall be entitled to exercise its option at any time notwithstanding that it has acquiesced in any delay unless a written extension of time has been given to the Supplier by a Director of the Company and the time of any extension has not elapsed. Further the Company shall be entitled to recover from the Supplier any loss, damage or expense incurred by the Company by reason of such delay. Failure by the Company to exercise this option with respect to any part of an order shall not be deemed to constitute a waiver with respect to any subsequent part of that order.

5.3 Without prejudice to the provisions of Condition 5.1 and Condition 5.2 hereof and the rights of the Company thereunder the Supplier shall promptly notify the Company in the event that it is unable to adhere to any part of the contract programme to ensure that the Company has maximum opportunity to minimise loss and delay.

5.4 Goods will not be accepted after the 26th day of any month unless specifically agreed with the Distribution/Stores Manager.

PRICE AND PAYMENT

6.1 Unless otherwise specified by the Company all prices are fixed and are not subject to escalation.

6.2 The Company shall not be responsible for the payment of any charges for Works performed or Goods supplied in excess of Works or Goods required by the order or any variation thereof unless authorised in writing by a further priced order.

6.3 No payment of or on account of the contract price shall constitute an admission by the Company that the Supplier has properly fulfilled its obligation hereunder.

6.4 Unless otherwise agreed in writing invoices in respect of U.K. Contracts shall be payable net two monthly with invoices to be rendered following delivery of the goods or completion of the Works whichever shall be the later and in the case of orders requiring delivery outside the U.K. invoices for Goods shall be payable within 90 days of the Goods leaving the U.K. and for Work within 90 days of completion of the Works.

RISK AND TITLE

7.1 Risk shall pass to the Company in respect of all Goods or materials purchased pursuant to this Contract at such time as the Supplier shall have completed all its obligations hereunder in full to the satisfaction of the Company.

7.2 If the Company shall provide the Supplier without charge, goods or material for the manufacture of the Goods such material until incorporated in the Goods shall remain the property of the Company but all risk in such material shall pass to the Supplier and the Supplier shall indemnify the Company against all loss or damage to such material while in its possession.

PROPERTY

8.1 Unless agreed otherwise, in writing, between the Supplier and the Company, the intellectual property on all purchases of stationery, literature, advertising, printing, software, web site material or other

Goods and Services, which contain the name "Glenfield" or reference to its products will be owned by the Company.

8.2 The Company shall be entitled to seek protection in respect of its intellectual property rights anywhere in the world by way of patents or otherwise as it shall decide in its own absolute discretion.

8.3 The Supplier will if called upon execute any document or assignment in order to pass title of the intellectual property rights to the Company.

8.4 The Supplier cannot, in any circumstances, withhold patterns, moulds or any similar items owned by the Company.

QUALITY AND GUARANTEE

9.1 All goods and Works shall be of first class quality and condition and shall be supplied strictly in accordance with the quantities specifications and stipulations contained in the order and any workmanship

performed by the Supplier shall be in accordance with best practice.

9.2 All Goods and Works shall comply in all respects with the Technical Specification of the Company and the specification required by the Main Contract (if any) and save in so far as the same may be incompatible with such specifications the Goods and Works shall conform in all respects with any relevant British Standard and approved Code of Practice.

9.3 The Company may by notice to the Supplier reject any Goods or Works which are found not to be in accordance with the Contract and shall be entitled in that event to treat the Contract as repudiated. The Company shall when giving notice of rejection specify the reasons therefore and may thereafter at its discretion return any rejected Goods to the Supplier at the Supplier's risk and expense.

9.4 The Supplier shall be responsible for making good including full replacement all costs of delivery to site and installation with all possible speed necessary to rectify any defects or damage in the Goods supplied or Works performed (fair wear and tear excepted) together with all direct and consequential costs of the Company in relation to the premises at which the goods are situate or Works performed or to other plant and machinery incurred in order to enable or facilitate such replacement or rectification by the Supplier.

9.5 Nothing contained in these Conditions shall in any way relieve the Supplier from its obligations express or implied under Common Law or Statute (including in particular but without limitation) the implied terms, conditions and warranties set out in Sections 12, 13, 14 and 15 of the Sale of Goods Act 1979 and Sections 2, 3, 4, 5, 13, 14 and 15 of the Supply of Goods and Services Act 1982 or any express term conditions or warranty contained in the order.

INDEMNITY

10.1 The Supplier shall indemnify the Company against:

All losses, costs, damages, expenses and claims caused to and made against the Company which would not have been caused or made had the Supplier fulfilled its express or implied obligations under the Contract.

SUPPLIER'S INSOLVENCY OR DEFAULT

11.1 If the Supplier shall become bankrupt or insolvent or compound with creditors or in the event of a resolution being passed or proceedings commenced for the liquidation or administration of the Supplier

or if a receiver or manager is appointed of all or any part of the assets or undertaking of the Supplier the Company shall be entitled to cancel the Contract in whole or in part by notice in writing without prejudice to any right or remedy accrued or accruing to the Company.

CHANGES AND TERMINATION

12.1 Without prejudice to any other specific provision of this Contract or any other lawful right available, the Company shall have the right to terminate the Contract in whole or in part at any time by giving

written notice to the Supplier whereupon all work thereby cancelled shall be discontinued and the Company shall pay to the Supplier such portion of the order price as may be fair and reasonable having regard to the value of the Works performed and Goods supplied or in respect of which title has passed to the Company prior to cancellation and in such event no further sum or sums shall be due by way of damages, loss of profits or otherwise from the Company to the Supplier by virtue of such termination or cancellation.

ENGLISH LAW

13.1 This Contract is subject to English law and to the jurisdiction of the English Courts only.