

## **Hahn Plastics Limited - Conditions of Sale**

### **1. Definitions**

The following words used in these Terms and Conditions (the "Conditions") will have the meanings set out as follows:

"**Company**" means Hahn Plastics Limited

"**Goods**" mean the products or materials supplied by the Company

"**Services**" means the whole or any part of the services which the Company is to supply or carry out under the contract

"**Purchaser**" means the corporate entity, firm or person to which the Goods and/or Services are supplied

"**Order**" means the Purchaser's purchase order document and, where used, Specification specifying the Goods and/or Services to be supplied.

### **2. Making The Contract**

1. The Company's quotation constitutes an invitation to treat (i.e. a proposal to enter into a contract) and will unless otherwise stated in the quotation, be open for a period of 30 days beginning with the date of the quotation unless the Company has previously withdrawn it.
2. Any order issued by the Purchaser is subject to acceptance by the Company and a contract will only be formed when the Company has accepted the Purchaser's order. The quotation, order and acceptance will together form the contract governed by these Conditions.
3. Where these Conditions are in conflict with those set out in any specification, offer to purchase or order received, these Conditions will prevail unless otherwise agreed by the Company in writing.
4. No employee, agent or officer of the Company is authorised to agree to any variation of the Conditions or to agree to the supply of Goods and/or Services by the Company, except subject to these Conditions without variation. A variation made in writing and expressly accepted by a director of the Company is permitted.

### **3. Cancellation/Suspension of Deliveries**

1. Once the contract is formed, no cancellation by the Purchaser is permitted except where expressly agreed by the Company in writing.
2. The Purchaser will in the event of agreed cancellation by the Purchaser indemnify the Company fully against all charges, costs and losses (including loss of profit) sustained by it as a result of the cancellation.
3. The Company may without prejudice to its other rights, suspend or cancel further deliveries and/or work under this and any other contract between the parties hereto if the Purchaser fails to make payment of any sum on its due date for payment, or if the Purchaser becomes insolvent or has any form of insolvency proceedings or action taken against it, including any receivership, petition or order of administration, winding up or bankruptcy, any proposal for or voluntary arrangement with creditors.

In such circumstances, the Company will be entitled to immediate payment from the Purchaser in respect of any goods manufactured but not yet delivered in connection with an order from the Purchaser, or in connection with services undertaken for the Purchaser but not completed.

4. The Company may without prejudice to its other rights, where the Purchaser refuses or is unable or fails to take delivery of the Goods by the dates specified in the contract or where no date is specified in the contract, within a reasonable period, either:
  - 3.4.1. put the Goods into its stock at the Purchaser's risk and expense and submit an invoice for payment as though the Goods had been delivered on the date when they were transferred to stock, or
  - 3.4.2. sell or offer to sell the Goods or any part of them to other interested parties, in which case the Company will be entitled to recover from the Purchaser as liquidated damages the amount of gross profit forgone by the Company on the sale to the Purchaser as certified by the Company, on the basis of the price that would have applied at the date for delivery.

#### **4. Price**

1. Unless otherwise stated the price payable for the Goods and Services will be that set out in the Company's quotation and confirmed by its acceptance of the Purchaser's order. The price and any carriage, packaging or other costs will be exclusive of Value Added Tax.
2. Prices quoted are based on current rates of wages, prices of material, freight and insurance. The Company reserves the right to amend the price at any time prior to delivery of the Goods to take account of any increase in the price to the Company of goods, services, raw materials, labour or other inputs used in the production of the Goods, or currency fluctuations increasing the cost of production or purchasing the Goods.
3. The Company reserves the right to amend its prices where a quotation was based on a stated quantity which is greater or less than the quantity ordered by the Purchaser.

#### **5. Terms of Payment**

1. The Company will be entitled to payment of the price payable for the Goods upon despatch of the goods and in respect of Services when the Services are in the opinion of the Company substantially complete.
2. Payment is due at the end of the month following the month of invoice. Time of payment will be deemed to be the essence of the contract.
3. The Company reserves the right to charge interest at 8% per annum above the Bank of England base rate for the time being on all overdue accounts, such interest being deemed to accrue and be compounded on a daily basis from the due date for payment. The Company also reserves the right to raise additional charges in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 as amended by the Late Payment of Commercial Debts Regulations 2002.
4. The Purchaser will not be entitled to withhold, deduct or set off against any sum payable to the Company any amount or claim whatsoever. In particular but without limitation, the Purchaser may not set off any amount or loss or damage arising from alleged defects in Goods received or Services supplied by the Company.

#### **6. Delivery**

1. The delivery date given by the Company is the best estimate at the time and is likely to fluctuate prior to receipt of a firm order from the Purchaser. The Company will make all reasonable efforts to deliver the Goods on the date given but the Company cannot accept liability for delay or non-delivery occurring for any reason whatsoever. Time of despatch or delivery is not of the essence and a delay in delivery will not entitle the Purchaser to treat the contract as repudiated or to any damages.
2. The Company reserves the right to despatch or make delivery by instalments and to tender a separate invoice in respect of each instalment.
3. Where an order is placed for Goods to be supplied to the Purchaser against time schedules sent to the Company from time to time by the Purchaser, the number or quantity of Goods stated in the order must be accepted by way of delivery within 12 (twelve) calendar months from the date of such order or such other period as the Company has agreed in writing.
4. Where goods are delivered to the Purchaser, the Purchaser will be responsible for unloading unless the Company has expressly agreed to unload the Goods.
5. Carriage is chargeable on all despatches where the Company undertakes delivery.

## **7. Divisibility**

With reference to blanket orders for goods that are subject to call off and to be delivered in instalments, the Company will be entitled to invoice for each instalment as and when each instalment is delivered and invoices will be due and payable on agreed terms in their own right notwithstanding that they are part of a blanket order.

## **8. Risk and the Passing of Property**

1. Risk in the goods will pass to the Purchaser when the Goods leave the despatching premises of the Company.
2. So long as any money owed to the Company from the Purchaser is outstanding in respect of the Goods, the property in the Goods will not pass to the Purchaser and the Company will retain title to such Goods until the Purchaser's indebtedness to the Company has been discharged in full.
3. Until all monies are paid in full, the Purchaser will hold Goods delivered by the Company on a fiduciary basis as Bailee for the Company and should any such Goods be re-sold by the Purchaser, the Purchaser will hold the proceeds of such sale on a like fiduciary basis on the Company's behalf until the total amount of the Purchaser's indebtedness has been discharged.
4. Until such time as the property in the Goods pass from the Company, the Purchaser will upon request deliver up such of the Goods as have not ceased to be in existence or been re-sold, to the Company. If the Purchaser fails to do so, the Company may enter any premises owned, occupied or controlled by the Purchaser where the Goods or any item thereof is situated and re-possess the Goods.

## **9. Inspection/Shortages**

1. The Company will have no liability for any damage or shortages that would be apparent on careful inspection by the Purchaser unless a written complaint is delivered to the Company within seven days of delivery, detailing the alleged

damage or shortage and the Company is allowed access to inspect the affected Goods before any use is made of them.

2. Subject to Condition 9.1. the Company will make good any shortage in the Goods for which it is responsible and where appropriate repair or at its option replace any Goods damaged during loading or unloading by the Company, but otherwise will be under no liability whatsoever arising from such shortage or damage.

#### **10. Defective Goods**

1. The Company's liability in respect of any defect or failure of the Goods supplied or for any loss, injury or damage attributable thereto is confined to making good by replacement or repairing any defects in the Goods themselves arising from faulty design or workmanship on behalf of the Company.
2. The Company's liability is further limited to defects reported to the Company in writing within three months from the date of despatch of those Goods to the Purchaser by the Company.
3. The Purchaser will assume responsibility for the Goods being of sufficient suitability and quality for the Purchaser's purpose.
4. The use of recycled materials can cause variations in the Goods, especially colour variation, efflorescence, overflow ridges, pores, shrink holes and surface fissures, in respect of which the Company accepts no liability whatsoever.

#### **11. Samples**

1. Notwithstanding that any sample may be exhibited and inspected by the Purchaser to enable the Purchaser to judge the quality of the Goods, it will not constitute a sale by sample under the contract.
2. Any samples exhibited under this clause will remain the property of the Company and will be returned immediately on request.

#### **12. Force Majeure**

1. The Company will not be liable for any failure to carry out its obligations arising from circumstances outside the Company's reasonable control.
2. Non-exhaustive illustrations of such circumstances included Acts of God, war, riot, explosion, abnormal weather conditions, fire, flood, strikes, lock-outs, government action or regulations (UK or otherwise), delay by suppliers, accidents and shortages of materials, labour or manufacturing facilities.
3. If the circumstances preventing the performance of the contract are still continuing three months after the said circumstances have arisen, then either party may give written notice to the other cancelling the contract and neither party shall be under any further liability to the other except that the Purchaser will be liable to pay the contract price less a reasonable allowance for what has not been performed by the Company.

#### **13. Severance**

If any term herein will be held to be void or unenforceable for any reason whatsoever, but would be valid if part of the wording were deleted, then the term will apply with such modification as will make it valid and effective whilst preserving to the maximum extent its intended effect.

**14. Proper Law and Jurisdiction**

The contract will be governed by English Law and any dispute or action arising out of these Conditions or related to the substance of other otherwise in connection with these Conditions will be subject to the exclusive jurisdiction of the English Courts.

**15. Headings**

The headings of these Conditions are for convenience only and will have no effect on the interpretation.

March 2016