

CONDITIONS OF PURCHASE

1. DEFINITIONS

"Allenwest" means Allenwest Wallacetown Limited having its head office at 66 Third Avenue, Heatherhouse Industrial Estate, Irvine KA12 8HN or any associated company from which the order is received.

2. GENERAL

Acceptance of Allenwest's order or the commencement of any work or the performance of any services thereunder implies acceptance of the following terms and conditions and no purported term or condition introduced by the Seller which is inconsistent with any of these conditions has any effect and these conditions alone shall, in all circumstances, prevail.

3. INSPECTION AND TESTS

- (a) Before despatching the goods the Seller shall where stipulated inspect and test them for compliance with the specification given Allenwest reasonable prior notice of such tests to allow it to be represented, and supply to Allenwest a certified copy of the Seller's test sheets.
- (b) Allenwest and/or its authorised representatives shall be entitled to inspect and test the goods during manufacture and storage.
- (c) No goods shall be deemed to have been accepted by Allenwest until any certificate required by it from the Seller that the goods are satisfactory has been provided.

4. QUALITY AND DESCRIPTION

The goods shall:-

- (a) conform as to quality, quantity and specification with the particulars stated in the order, and
- (b) be of good quality, design, materials and workmanship, and fit for the purpose for which they are intended.

5. VARIATIONS

Allenwest may at any time, by written notice to the Seller, make changes to the contract (including, without limitation, partial or total cancellation, acceleration or detourment of the time for completion and alterations to the specification of the goods) and the contract shall be varied to incorporate such changes. The Seller shall be entitled to reasonable compensation for additional cost and a reasonable extension of time in respect of additional time required for performance.

6. DELIVER

Time shall be of the essence of the contract and in the event that all of the goods have not been delivered by the specified date Allenwest shall have the right to cancel the contract and to return any goods delivered, without being under any obligation to pay the purchase price therefore or any costs, charges or damages whatsoever. All expenses incurred by Allenwest in the event of such cancellation, including any additional expense of obtaining substitute goods elsewhere, shall be met by the Seller and the storage pending return and return of the goods shall be at the Seller's risk, in the event of Allenwest accepting late delivery of goods the Seller shall make payment to Allenwest in full of all loss incurred by Allenwest as a result of the delayed delivery.

7. PROPERTY AND RISK

The Property in the goods or any part thereof shall pass to Allenwest on delivery or, if earlier, on appropriation of the goods to the contract. The goods shall in all eventualities however, remain at the risk of the Seller until delivery.

8. REJECTION

Without prejudice to Allenwest's other rights under the contract or at law, if any part of the goods delivered by the Seller is not in accordance with the contract, Allenwest may reject such goods.

9. DEFAULT

If the Seller fails to deliver the goods as specified in the order or commits any breach or fails to comply with any term or condition hereof or becomes bankrupt or makes an assignment for the benefit of creditors or being an incorporate body goes into liquidation, whether compulsory or voluntarily, or has a receiver, administrator or manager appointed over its property or any part thereof then in any of such events, Allenwest may, without prejudice to any other rights hereunder or elsewhere arising cancel the contract and if it so wishes obtain substitute goods elsewhere and charge any extra expense to the Seller.

10. PRICE

Without prejudice to clause 5 thereof the price or prices set out in this order are not subject to increase but any decrease prior to delivery in the Seller's named selling price for goods of the same kind shall apply to this contract.

11. PAYMENT

Without prejudice to any of the other terms hereof payments shall be made in respect of undisputed amounts within 60 days of delivery of the goods to the Company's place of business or to such other place of delivery as is agreed by the Company in writing prior to the delivery of the goods, but time for payment shall not be of the essence of the contract. Payment shall not operate as a waiver of any of the rights of Allenwest under the contract or at law.

12. DAMAGE OR LOSS IN TRANSIT

The seller will replace or repair at its cost any goods lost or damaged in transit. Allenwest will give the Seller written notification of such loss or damage within a reasonable time.

13. ALLENWEST'S MATERIALS

- (a) All patterns, dies, moulds or other tooling or materials supplied by Allenwest or prepared and obtained by the Seller for and at the sole cost of Allenwest shall be and remain the property of Allenwest returnable in good condition on demand.
- (b) All such items, while in the Seller's custody, shall be at the Seller's risk, shall be insured by the Seller against all risk, and shall be maintained in good order and condition.
- (c) The Seller shall not at any time use such items, nor shall it authorise or permit them to be used for, or in connection with any purpose other than the supply of the goods to Allenwest.

14. NON DISCLOSURE

The Seller shall not either during the period of the contract or at any time thereafter, disclose to any person, firm or company any manufacturing process or trade secret of Allenwest in connection therewith or any information relating thereto.

15. PATENTS

The Seller shall be liable for, indemnify, defend and hold Allenwest harmless from and against all losses, costs, damages and expenses of every kind and nature, including legal expenses, arising out of any claim or cause of action in respect of any infringement or alleged infringement of any letters patent, registered design, copyright, trademark or other like rights resulting from the use of the goods by Allenwest, or by any person authorised by Allenwest or from the manufacture of the goods or from any of the Seller's other obligations under the contract provided that this shall not apply in respect of any infringement or alleged infringement arising as a result of the correct use by the Seller of a design supplied by Allenwest.

16. WARRANTY

The Seller warrants:-

- (a) that the design, construction and quality of the goods comply in all respects with all relevant requirements of any legislation.
- (b) that the goods are free of all liens and encumbrances and that the Seller has a good and marketable title thereto;
- (c) that the goods and every part thereof are of first class quality, fit for the purpose for which they are intended and that the materials used are free from all defects, latent or otherwise;
- (d) that it shall make good forthwith by repair or replacement at its cost all defects which appear in the goods within 12 months of the goods being put into use or 18 months of delivery (whichever period is shorter) and which are due to faulty material, workmanship or design. The warranty and the periods contained herein shall also apply to any goods repaired or replaced under the terms hereof.

17. ASSIGNMENT AND SUB-CONTRACTING

- (a) The Seller shall not assign or otherwise transfer the whole or any part of any benefit of or interest in the contract without prior written consent of Allenwest, which consent shall not be unreasonably withheld.
- (b) Save in respect of materials, minor items and any part of the goods for which makers are specifically named, the Seller shall not sub-contract any of the goods ordered under the contract without the prior written consent of Allenwest, which consent shall not be unreasonably withheld provided that the Seller shall ensure that any permitted sub-contractor is bound by all the applicable provisions of the contract.
- (c) The Seller shall be responsible for acts, omissions and defaults of any permitted sub-contractor as if they were the acts, omissions and defaults of the Seller and no assignment or sub-contract shall relieve the Seller of any of its responsibilities under the contract or at law.

18. LAW

The contract shall be governed by and construed in all respects in accordance with the laws of Scotland.