

STI Packaging & Display Ltd. Conditions of Sale

Status October 1st, 2007



1. General

- 1.1 These Conditions are the only conditions upon which STI Packaging & Display Limited ("the Seller") is prepared to deal with its customer ("the Buyer") and they shall govern the contract to the entire exclusion of any other express or implied conditions.
- 1.2 These Conditions may only be modified by a variation in writing signed on behalf of the Seller by a Director and no other action on the part of the Seller (whether delivery of the goods or otherwise) shall be construed as an acceptance of any other conditions.
- 1.3 These Conditions (as modified in accordance with condition 1.2 and together with the matters referred to on the face of the Seller's quotation and or acceptance of order) embody the entire understanding of the parties and supersede any prior promises, representations, undertakings or implications.
- 1.4 No contract shall be concluded until the Seller despatches an acknowledgement of order to the Buyer. Any quotation in whatever form given to the Buyer is given subject to these Conditions and does not constitute an offer to sell.
- 1.5 These Conditions shall prevail over any terms and conditions in the Buyers order or other documents issued by the Buyer except where specifically agreed to by the Seller (through a director) in writing.

2. Performance

- 2.1 The Seller warrants that the goods shall at the time of delivery be free from defects in workmanship and materials. If any goods do not conform to this warranty the Seller will, subject to these conditions, at its option:-
 - 2.1.1 replace the goods found not to conform to the warranty; or
 - 2.1.2 take such steps as the Seller deems necessary to bring the goods into a state where they are free from such defects; or
 - 2.1.3 take back the goods found not to conform to the warranty and refund the appropriate part of the purchase price. Provided that the liability of the Seller shall in no event exceed the purchase price of the goods, and performance of any one of the above options shall constitute an entire discharge of the Seller's liability under this warranty.
- 2.2 The warranty in Condition 2.1 is conditional upon:-
 - 2.2.1 the Buyer giving written notice to the Seller of the alleged defect in the goods such notice to be received by the Seller within seven days of the time when the Buyer discovers or ought to have discovered the defect and in any event within one month of delivery of the goods; and
 - 2.2.2 the Buyer affording the Seller a reasonable opportunity to inspect the goods and, if so requested by the Seller, returning the allegedly defective goods to the Seller's works for inspection to take place there.
- 2.3 The warranty in Condition 2.1 will not apply where any defect in the goods has arisen from any drawing design or specification or information supplied by the Buyer.
- 2.4 Save as provided in Condition 2.1:-
 - 2.4.1 all conditions and warranties, express or implied, as to the quality or fitness for any purpose of the goods are hereby expressly excluded; and
 - 2.4.2 the Seller shall be under no liability for any loss or damage (whether direct, indirect or consequential) however arising which may be suffered by the Buyer with the exception of death or personal injury caused by the Seller's negligence.
- 2.5 In the event that, notwithstanding the above, the Seller is found liable for any loss or damage suffered by the Buyer, that liability shall in no event exceed the purchase price of the goods.

3. Price

- 3.1 All prices are calculated from costs applicable at the date of the despatch of the acknowledgement of order. If there is any increase in such costs between such date and the date of despatch of the goods the Seller may increase the price accordingly.
- 3.2 Unless expressly stated otherwise all prices are exclusive of Value Added Tax and any other levies taxes or duties which shall be charged at the rate and in the manner prescribed by the law from time to time.
- 3.3 Unless otherwise agreed in writing the price confirmed excludes artwork and origination. Printing plates and cutting formes will be charged separately.
- 3.4 Unless otherwise expressly specified in the contract, all contract prices include the cost of delivery to a UK mainland port only or to an address within the United Kingdom (in each case as stated in the acknowledgment of order) and by such method of transport as the Seller may select. The Seller may pass on to the Buyer any costs incurred in addition to or in variation of the above made at the Buyers request.
- 3.5 The cost of pallets used by the Seller for the transportation of goods to Buyer are not included in the contract price and remain the property of the Seller at all times. Arrangements should be made by the Buyer to make the pallets available for collection in the same condition by the Seller or otherwise returned at the Buyer's expense. The Seller reserves the right to charge the buyer for any pallets not returned within a reasonable time at the cost of their replacement at that time.

4. Delivery

- 4.1 Delivery of each consignment of the goods shall be made to the place, and in the manner, designated by the Buyer when placing the order, provided that the Seller shall be entitled to withhold delivery of the goods until the Buyer has paid all sums due to the Seller hereunder.
- 4.2 The Seller will not be liable to the Buyer for any loss or damage (whether direct, indirect or consequential) sustained by the Buyer as a result of any delay in delivery or dispatch of the goods where such delay is caused by lack of instructions from the Buyer, strikes, lockouts, other industrial action, failure of the Seller's suppliers to fulfil their obligations, or any other cause beyond the Seller's reasonable control.
- 4.3 No claim for non-delivery will be considered unless the Seller is advised in writing within 14 days of the date of the Seller's invoice.
- 4.4 If the Buyer refuses to accept delivery, the return carriage and or storage of the goods will be at the expense and risk of the Buyer without prejudice to any other rights of the Seller under these conditions or otherwise.
- 4.5 The Seller cannot guarantee exact quantities in respect of any goods supplied and shall be deemed to have fulfilled its obligations under the Contract by delivery or manufacture of a quantity plus or minus ten per cent of the quantity specified in the Contract and the Buyer shall pay the contract rate for the actual quantity delivered.
- 4.6 The Seller may make delivery by instalments and each instalment shall be deemed to form a separate contract and non or late delivery of any instalment shall not affect the balance of the contract or entitle the Buyer to cancel the same.

5. Risk and Property

- 5.1 All goods are at the Buyer's risk from the time of delivery or collection by the Buyer or his Agent or delivery to the place stipulated in the contract.
- 5.2 The property in the goods shall not pass to the Buyer until the full price of the goods is paid.
- 5.3 Until such time as the full price of all such goods has been paid.
 - 5.3.1 they shall be held by the Buyer in a fiduciary capacity and stored by the Buyer at its premises in such a manner that they are clearly identifiable as the goods of the Seller and shall be kept separate from any other goods whether or not supplied by the Seller.
 - 5.3.2 they shall be handed over to the Seller on demand and the Seller shall be entitled to take possession of them without prejudice to any of its other rights against the Buyer and the Seller is hereby granted a licence to enter into the Buyer's premises for the purpose of recovering the goods.
 - 5.3.3 the Seller hereby authorises the Buyer to use and or sell the goods in the normal course of the Buyer's business. If the Buyer sells the goods prior to paying the full price thereof the Buyer shall hold the proceeds of sale on trust for the Seller. The Seller shall be entitled to call upon the Buyer to assign all claims that the Buyer may have against purchasers from the Buyer.
- 5.4 The Seller will have the right to maintain an action against the Buyer for the price of the goods notwithstanding that property in the goods has not passed.
- 5.5 Nothing in the contract will constitute the Buyer as the agent of the Seller in respect of any re-sale of the goods by the Buyer so as to confer upon a third party rights against the Seller.

6. Payment

- 6.1 Where a contract is designated by the Seller as a credit sale, payment will be made by the Buyer not later than the last day of the month following the month of invoice.

- 6.2 If any payment that is to be made hereunder by the Buyer to the Seller is overdue, interest may be chargeable thereon both before and after judgement on a day to day basis at an annual rate of 4 per cent above National Westminster Bank PLC's base rate from time to time applicable, until the sum due is paid.
- 6.3 Where any sum owed by the Buyer to the Seller under this or any other contract is overdue the Seller may without liability withhold any deliveries of goods due to be made under this contract or may cancel the contract or any other contract between the Seller and the Buyer until arrangements as to payment or credit have been established which are satisfactory to the Seller.
7. **Contact with Delicate Substances**

Without prejudice to any other obligations imposed upon the Buyer by these Conditions and without prejudice to Condition 2.4 where the goods supplied consist of containers, wrappers or other articles intended for use in connection with any food, drug or substance of a sensitive, volatile or delicate nature the Buyer shall satisfy itself that such food, drug or other substance is not or is not likely to be affected by any material used by the Seller in the manufacture of or printing of such containers, wrappers or other articles and the Buyer shall indemnify and keep indemnified the Seller from and against all liability to third parties in respect of any claim that any such food, drug or substance has been adversely affected and caused the third party loss, damage or expense.
8. **Specification or Design**
 - 8.1 Without prejudice to the provisions of Condition 2 where the goods are manufactured in accordance with information or drawings supplied by the Buyer or to his design or specification and in particular (but without prejudice to the generality of the above) where the Seller incorporates the requirements of the Buyer that machine readable codes or symbols are printed on the goods or where standard goods of the Seller are altered in accordance with the Buyer's instructions:-
 - 8.1.1 No guarantee or warranty is given by the Seller as to the practicability, efficiency, safety or otherwise of the goods (this being without prejudice to any other of the contract terms)
 - 8.1.2 The Buyer shall be responsible for satisfying itself that any code or symbol will give accurate readings on the equipment likely to be used by those for whom the code or symbol is intended
 - 8.1.3 No responsibility shall be accepted for any errors in proof which have been submitted to or approved by the Buyer
 - 8.1.4 Where the goods consist of printed materials, alterations from the original copy on or after the first proof including alterations in style will be charged as an extra.
 - 8.2 The Buyer will indemnify and keep the Seller indemnified against all liability incurred by the Seller as a result of:-
 - 8.2.1 such goods infringing any intellectual property right including without prejudice to the generality of the foregoing patents, registered designs and copyright or the provision of any statute, statutory instrument or regulation
 - 8.2.2 any impracticability, inefficiency or lack of safety or other defect in the Goods where such defect is due (whether in whole or in part) to faults or omissions in such information, drawings, design, specification or instructions.
 - 8.3 All materials produced in origination work, remains the property of the Seller until paid for by the Buyer; designs originated by the Seller remain the Seller's copyright unless expressly assigned in writing.
 - 8.4 Without prejudice to the provisions of Clause 2.4, except where agreed in writing, the Seller shall be deemed to have fulfilled its obligations under the contract by producing goods within the tolerances laid down by BSI Standard no. BS1133: Sec 7: Sub 7.5(1990)
 - 8.5 Unless specifically warranted (in writing) as accurate all sizes referred to on price lists and brochures are approximate only.
9. **Lien**

The Seller will (without prejudice to any other remedy available to it) have in respect of all unpaid debts due from the Buyer, a general lien on all property of the Buyer, in the possession of the Seller, for whatever purpose and whether worked upon or not and be entitled on the expiration of not less than 14 days notice in writing to the Buyer, to dispose of such property and to apply the proceeds towards the satisfaction of such debts.
10. **Ink and Board Colours**

The Seller will take all reasonable steps to match ink colours and board colours. However, neither of these matters can be guaranteed and the Seller shall be deemed to have performed its obligations by the delivery of goods within the agreed limits for shade and density of colour.
11. **Patent infringement**
 - 11.1 The Seller warrants only that the goods themselves and the delivery or importation thereof will not infringe any patent rights published (at the date of the contract) in the United Kingdom or in any other territory specified in the contract as a territory in which the goods are to be used and the Seller shall indemnify the Buyer against damages and costs awarded for any such infringement provided always that:-
 - 11.1.1 this indemnity shall not apply to any infringement which is due to the Seller having followed an instruction furnished or given by the Buyer or to the use of such material in a manner or for a purpose or in a foreign country not specified or disclosed to the Seller or in combination with any other materials or process, and
 - 11.1.2 this indemnity is conditional on the Buyer giving to the Seller the earliest possible notice in writing of any claim being made or action threatened or brought against the Buyer and on the Buyer permitting the Seller at the latter's expense to conduct any litigation that may ensue and negotiations for a settlement of the claim.
12. **Cancellation**

Contracts are not subject to cancellation without the Seller's written consent. Where cancellation is accepted, the Seller shall in addition to any express terms of acceptance of cancellation be entitled to reimbursement of any costs incurred by the Seller in connection with the contract including the cost of any material, plant or tools used or intended to be used therefore and the cost of labour and other overheads including a percentage in respect of profit.
13. **Force Majeure**

The Seller shall have the right to cancel or to reduce the volume of the goods delivered if it is prevented from or hindered in delivery of the goods through any circumstances beyond its control including (but not limited to) industrial action, war, fire, or prohibition or enactment of any kind, without incurring any liability for any loss or damage whatsoever resulting therefrom.
14. **Termination**
 - 14.1 The Contract will terminate immediately upon the happening of any one or more of the following (or any analogous event under the law of any other jurisdiction), namely, that the Buyer being a company shall be wound up or a receiver or administrative receiver shall be appointed over its business, or a petition for the appointment of an administrator shall be presented in respect of it, or being an individual or partnership shall suspend payment or become unable to pay its debts or suffer a bankruptcy order.
 - 14.2 The contract will terminate immediately upon service of written notice of termination by the Seller on the Buyer on the happening of any or more of the following, namely, that the Buyer has suffered or allowed any execution to be levied on its property or obtained against it or has failed to observe or perform or breached any of its obligations or duties under the contract or any other contract between the Seller and the Buyer or the Buyer has ceased to trade.
 - 14.3 Termination of the contract howsoever arising will be without prejudice to the rights and duties of either party accrued prior to termination.
15. **General**
 - 15.1 The Seller will be entitled to assign, sub-contract or sub-let the contract or any part thereof
 - 15.2 Failure by the Seller to enforce any of the contract terms will not be construed as a waiver of any of its rights hereunder.
 - 15.3 In relation to all obligations of the Buyer under the contract, the time of performance is of the essence.
 - 15.4 The headings in these conditions are for convenience only and shall not affect their interpretation.
16. **Governing law**

The contract is governed by the laws of England and the English High Court of Justice (to the jurisdiction of which the Buyer hereby irrevocably submits) shall have the exclusive jurisdiction to resolve any disputes arising out of it.

STI Packaging & Display Ltd. is part of the STI Group of Companies

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