

ROCKLINE INDUSTRIES LIMITED  
General Terms and Conditions of Purchase

1. DEFINITIONS

"Buyer" means Rockline Industries, Ltd (Company No. 3025769) Heming Road, Redditch, Worcestershire B98 0DH.

"Purchase Order" means Buyer's purchase order delivered to Seller.

"Seller" means the party identified as Seller on the face of the Purchase Order.

"Contract" means the Purchase Order, all documents incorporated by reference under the Purchase Order, these terms and conditions, any confidentiality agreement executed by the Buyer and the Seller, all attachments and amendments to all such documents.

"Items" means any goods, or services to be provided or performed by Seller under the Contract.

"Price" means the amount to be paid by Buyer to Seller under the Contract for the Items, which shall include any freight charges or sales, use or other similar taxes, and no such charges or taxes shall be paid by Buyer.

"Confidential Information" means without limitation all information whether of a technical, proprietary or commercial or any other nature whatsoever whether in oral, visual or documentary form or by way of models or other tangible form or in any other medium or by any other method, provided directly or indirectly and whether disclosed before or after the date of this Agreement by one party to the other party (or a third party acting on either party's behalf).

2. CONTROLLING PROVISIONS

This Contract constitutes an offer by Buyer to buy the Items from Seller in accordance with the terms herein. If this Contract is deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms and conditions contained herein. Seller's acceptance of this offer is limited to the terms, covenants and conditions herein. Buyer hereby objects to and rejects any additional, different or varying terms proposed by Seller, except additional warranties by Seller, regardless of whether such terms would materially alter these terms and conditions. Seller's proposal of additional or different terms shall not operate as a rejection of Buyer's terms unless such variances are in the description, quantity, price, or place or date of delivery of the Items, and Buyer's terms shall be deemed accepted without said additional or different terms.

3. ACCEPTANCE

Seller shall be deemed to have made an unqualified acceptance of this Contract on the earliest of the following to occur:

- (a) Buyer's receipt of a copy of this Contract, signed by Seller;
- (b) Seller's acknowledgment of these terms and conditions or any Purchase Order submitted by Buyer from time to time;
- (c) Seller's commencement of manufacture or delivery of the Items;
- (d) Seller's acceptance of any payment from Buyer; or
- (e) Any other event constituting acceptance under applicable law.

4. BLANKET ORDER

If the Purchase Order is designated by Buyer as a blanket order, Buyer shall be obligated to purchase only those quantities of the Items which it specifically requests under separate subsequent orders issued by Buyer to Seller.

5. PRICE

The Price for the Items shall be that stated in the Purchase Order, unless such price exceeds the lowest price at which Seller is selling the Items or similar items to its other customers as of the date of delivery to Buyer, in which case the lower price shall prevail. If there is no price stated in the Purchase Order, the Price shall not be higher than that last charged or quoted Buyer for such Items by Seller. If there has been no charge or quotation by Seller to Buyer for the Items previously and if no price is set forth in the Purchase Order, Buyer shall have the right to return the Items with Seller paying the cost of transportation if Seller charges a price which is in excess of the lowest price at which Seller is selling such Items to its other customers as of the date of delivery to Buyer. If prior to delivery of the Items, Buyer is able to purchase a portion or all of the Items, or similar items of like quality, at a price which is less than the Price, Buyer shall notify Seller. Should the Seller fail to meet such lower price, the Buyer may, at its option, purchase from the other source at the lower price, in which event Buyer and Seller shall be relieved of their obligations under the Contract in respect of that portion of the Items or similar items purchased from the other source. Prices for Items ordered hereunder shall not increase prior to delivery without Buyer's prior written consent, which Buyer may withhold in its sole discretion.

6. BUYER'S INTELLECTUAL PROPERTY

(a) Drawings and Specifications. Any specifications, drawings, note, instructions, engineering information, or technical data furnished by either Buyer or Seller to the other, or referred to in the Contract shall be incorporated herein by reference. Seller shall be fully and solely responsible for obtaining product data adequate to design, manufacture, fabricate, construct and deliver the Items in compliance with all requirements of the Contract. Buyer shall retain title to all such documents which it provides or causes to be given to Seller, and Seller shall not use any of such documents or the information contained therein for any purpose other than in performance of the Contract. Seller shall not disclose such documents or information to any party other than Buyer or a party duly authorized by Buyer. The Seller shall procure that such authorized party is bound by terms equivalent to the terms of this Contract. Upon Buyer's request, Seller shall promptly return to Buyer all such documents and copies thereof and shall certify in writing that it has complied with this clause.

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(b) Other Intellectual Property. Whenever requested by Buyer to do so, Seller will place on the Items, in the manner specified by Buyer, such trademarks or other identifying marks as Buyer may specify. Seller warrants and agrees that Buyer's identifying marks shall be used only on Items supplied to Buyer and in the manner and subject to the restrictions imposed by Buyer. All of Buyer's Intellectual Property Rights are and shall remain Buyer's sole property and Seller agrees not to take or permit any action contradicting Buyer's rights thereto. "Intellectual Property Rights" include, without limitation, any copyright, patent, registered or unregistered design, logo, trademark, trade dress, trade name or other designation, translation of trade name into another language, specifications, drawings, notes, instructions, engineering information, or technical data and any similar rights or applications for rights in any of the foregoing in any part of the world owned or used by Buyer or any of its affiliates, and any goodwill relating thereto. Buyer's rights shall be enforceable by injunctive relief and/or a decree of specific performance. Seller does not acquire any rights, title or interest in any of the trademarks or trade names of Buyer by virtue of this Contract, and Seller shall not use or in any way refer to Buyer's trademarks or trade names without Buyer's prior written permission. Nothing herein shall limit the statutory or common law of torts or trade secrets where it provides Buyer with broader rights.

7. DELIVERY

Seller shall deliver the Items to Buyer on the date(s) indicated in the Purchase Order. If Seller fails to make delivery of any part of the Items on the date(s) indicated, Buyer may terminate the Contract and pursue other remedies. All shipments shall be delivered F.O.B. to the destination designated by Buyer in the Purchase Order, and risk of loss shall remain with Seller until the Items in a completed state are received by Buyer, its agent or consignee regardless of whether or not Buyer has made full payment for the Items. A packing slip, or such other documents as Seller may require, must accompany each such shipment, and if a shipment is to a consignee or agent of Buyer, a copy of the packing slip shall be forwarded concurrently to Buyer. If no such packing slip is sent, the count or weight by Buyer or its agent or consignee is agreed to be final and binding. Seller, or the carrier it uses to transport the Items, whichever is applicable, shall (a) shall maintain insurance cover in the minimum amounts required by Section 16, unless a larger amount is required by any applicable legislation or regulation in which event such larger amount shall be maintained.

8. WARRANTIES

Seller expressly warrants to Buyer, Buyer's customer and to the ultimate user that:

- (a) The Items will:
  - (i) Conform to the quality standards, drawings, specifications, samples or other descriptions furnished or adopted by Buyer,
  - (ii) Be merchantable, fit for Buyer's particular purposes, of high quality and free from defects in material and workmanship,
  - (iii) Conform to all of Seller's specifications, performance guarantees and representations, and
  - (iv) Comply with all applicable nationally recognized codes and established industry standards;
- (b) The use and/or sale, alone or in combination, of the Items will not infringe or violate any third party intellectual property rights;
- (c) The Items and their production, storage, pricing, delivery and sale hereunder are in compliance with applicable legislation and regulation applicable thereto including, without limitation, all packaging and labelling laws and any applicable laws, regulations, rules and standards; and
- (d) Seller is conveying good title to the Items, free and clear of any liens or encumbrances.

Seller acknowledges that it has knowledge of Buyer's intended use and warrants that all Items that have been manufactured by Seller based on Buyer's use and will be fit and sufficient for the particular purposes intended by Buyer. Seller shall pass on to Buyer the benefit of any manufacturer's warranties. Any Items not in accordance with the foregoing warranties or any special warranty shall be deemed to be defective and may be rejected by Buyer. Buyer's approval of Seller's specifications shall not relieve Seller of any of its warranty obligations. Seller will maintain a quality assurance system which is adequate in Buyer's judgment to detect and prevent shipment of nonconforming Items. In the event of any recall affecting the Items, Seller shall indemnify Buyer and Buyer's customers in accordance with Section 15. Buyer shall have the right to control the recall process and Seller shall fully cooperate with Buyer in connection with the recall. Seller's warranties and guarantees shall survive inspection, delivery and acceptance of the Items and/or payment by Buyer.

9. BREACH OF WARRANTY

- (a) If Seller breaches any of its warranties, Seller shall be liable for and shall indemnify Buyer and its affiliated companies, employees, customers, agents and assigns from and against all damages incurred by them, including, but not limited to, actual damages such as the purchase price of the Items, delivery costs, replacements and cover costs, incidental and consequential damages. Seller acknowledges that, if Seller's breach causes Buyer to deliver Items to its customers either late or below Buyer's standards, Buyer will incur actual, consequential and other damages for which Seller is liable. Without limiting the foregoing, Seller shall promptly and at its sole cost replace any Items failing to conform to the warranties set forth in this Contract. Replacement Items shall be subject to the same warranty as provided above. Buyer's remedies specified herein are cumulative and not exclusive of any other remedies available to Buyer.
- (b) If Items are held to constitute an infringement of a third party right, Seller shall, at its expense, either procure for Buyer the right to use said Product or replace same with a substantially equal but not infringing Product, or modify it so that it becomes substantially equal but not infringing.

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10. CHANGES

Buyer shall have the right to make changes (including additions and/or omissions) from time to time in the Items, any specifications and/or drawings which are a part of the Contract, method of shipment or packing and/or the time and/or place of delivery. Buyer shall give Seller written notice of any such change which notice may include any increase or decrease in the cost of or the time required for performance of the Contract determined by Buyer to be appropriate.

11. PAYMENTS AND INVOICES

The specific terms of payment for all Items are stated in the Purchase Order. Unless otherwise specified there or in a separate written instrument signed by Buyer, no invoice shall be issued by Seller prior to the shipment or performance of the Items covered thereby, and no payment shall be made prior to receipt of such Items and of a proper invoice for such Items. Buyer may withhold any payment otherwise due under the Contract to such extent as may be necessary to protect Buyer from loss because of:

- (a) Evidence of financial difficulty of Seller which might prevent complete performance of the Contract by Seller; or
- (b) A breach by Seller of any provision of the Contract.

12. INSPECTION AND DEFECTS

Buyer may inspect any Items ordered hereunder during their manufacture, construction or preparation at reasonable times and shall have the right to inspect such Items at the time of their delivery and/or completion. Items furnished hereunder may at any time be rejected for defects revealed by inspection or analysis even though such Items may have previously been inspected and accepted. Such rejected Items may, at Buyer's option, be returned to Seller for full refund to Buyer, including removal, shipping and transportation charges.

13. VARIATION

No terms, conditions, understanding or agreement purporting to modify or vary the terms of the Contract shall be binding unless made in writing and signed by Seller and Buyer.

14. LIENS

Seller hereby waives its rights to any mechanics lien or other lien under any applicable statutes or otherwise for all Items furnished in connection with the Contract. Prior to Seller's receipt of each payment under the Contract, Seller shall deliver to Buyer all affidavits, lien releases, and other documents necessary fully to protect Buyer. If at any time there shall be evidence of the existence of any such lien or claim for work done or materials, services or equipment furnished by Seller or any other party in connection with the Contract, Buyer may use money then due or to become due under the Contract to discharge such lien or satisfy such claim and may credit such amounts against the amounts due or to become due to Seller.

15. INDEMNITY

Seller shall indemnify THE BUYER and its agents, consignees, employees and representatives from and against all expenses, costs, charges, damages, claims, suits, losses, fines, penalties or liabilities (including legal fees) of every kind whatsoever by reason of, arising out of, or in any way connected with accidents, occurrences, injuries or losses to or of any person or property including, without limitation thereto, loss of use of property, which may occur before or after delivery of the completed Items to BUYER, upon or about or in any way due to or resulting from, in whole or in part,

(a) The sale, design, preparation, manufacture, fabrication, construction, completion, transportation, delivery, failure to deliver, and/or installation of the Items, and/OR

(b) any and all claims for infringement of any INTELLECTUAL PROPERTY RIGHTS by reason of the design, manufacture, purchase, use or sale of the Items (excluding Buyer's Intellectual Property Rights used in connection with the ITEMS);

However, seller shall not be liable for damages caused solely by the negligence of the BUYER, excluding situations where the BUYERS negligence consists of failure to discover a condition caused or permitted to exist by the Seller or any of its subcontractors. If buyer is responsible for any installation or services or supervision related to installation under the Contract, Seller shall have no liability under this Section 15 for things resulting entirely from buyer's acts or omissions in the performance of such installation, however, seller shall remain liable for its own acts, the acts of its employees, agents, consignees and representatives, and the acts of its subcontractors related to installation under this contract. SELLER, in any indemnification claim hereunder, hereby expressly and without reservation waives any defence or immunity it may have under any applicable workers compensation laws or any other statute or judicial decision, disallowing or limiting such indemnification where an employee of seller makes a claim against indemnitee herein, and seller consents to a cause of action for indemnity. Neither party is attempting to limit its liability under this Contract for death or personal injury caused by its negligence or for fraud or for any other liability that cannot be limited or excluded by law

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16. INSURANCE

Seller shall at its own expense take out and maintain in force during the term of the Contract and for a period of two years thereafter such insurance policies as are appropriate and adequate having regard to the Sellers obligations and liabilities under the Contract but including

- (a) Employer's Liability           £ 5 million
- (b) Public Liability               £ 5 million
- (c) Product Liability             £ 5 million

- Per year with a per claim deductible satisfactory to Buyer.

None of the above insurance coverage shall be cancellable except upon thirty (30) days prior written notice to Buyer and to all other insured parties, and Seller shall provide Buyer with a copy of any such cancellation notice immediately after Seller's receipt of it. Seller shall include Buyer as an additional insured on all liability insurance. If Seller is subject to any no fault insurance requirements, it shall adhere to all applicable laws and regulations pertaining to such no fault insurance. On Buyer's request, Seller shall provide certificates of insurance and renewals evidencing insurance. Seller's compliance with these insurance requirements shall not relieve Seller from liability under the Indemnification provisions.

17. TERMINATION, SUSPENSION OR DELAY

Buyer shall have the right at any time to terminate, suspend, or delay the Contract in whole or in part by prior written notice to Seller. Immediately after receipt of such notice, Seller shall stop all performance hereunder except as may otherwise be directed by Buyer. In the case of termination of the Contract, Seller shall then transfer to Buyer, in accordance with Buyer's directions, and whether located on the job site, in a vendor's or manufacturer's facility or elsewhere, all materials, information and Confidential Information, accumulated, specifically prepared or acquired by or in the possession or control of the Seller for use in relation to the design, development, manufacture, assembly, shipment, installation, operation, maintenance or repair of the Items and all supplies, shop drawings, work in process, equipment, machinery or parts prepared, acquired or used by Seller in connection with such Items and for which Seller is to be reimbursed hereunder, and all working drawings, sketches, specifications, and other information accumulated, prepared or acquired by Seller with respect to such Items. Seller shall, if directed by Buyer and to the extent stated in the notice of termination, suspension or delay, make all efforts necessary to preserve the work in progress and to protect the Items whether still at Seller's manufacturing facilities or in transit to Buyer's facilities. If Seller is not then in default in the performance of any of its obligations hereunder, and if Seller has taken reasonable steps to mitigate its damages resulting from such termination,

Buyer shall pay to Seller, as Seller's sole and exclusive remedy for termination under this Section 17, to the extent not already paid to Seller, an amount equal to:

- (a) Reasonable and documented costs incurred by Seller in accordance with the Contract prior to Sellers' receipt of notice of termination, plus
- (b) Reasonable and documented costs and charges incurred by Seller in winding up its activities under the Contract prior to the effective termination date;

- provided, however, that the amounts listed in clauses (a) and (b) of this Section 17 plus prior payments to Seller shall in no event exceed the Price.

If the suspension or delay is not followed by a termination of the Contract, Buyer shall have no obligation to make any payments to Seller after the effective date of the suspension or delay other than, to the extent not already paid to Seller, Seller's reasonable and documented costs incurred in accordance with the Contract prior to such effective date which are not reduced or eliminated by appropriate mitigating action by Seller. Before Buyer resumes performance under the Contract following such suspension or delay, Seller and Buyer shall negotiate in good faith on the adjustments, if any, which may be required in payments to Seller or in the Contract Price to avoid inequities either to Seller or Buyer. In no event shall the seller be entitled to any loss of profits or any damages whether direct or indirect due to termination, suspension or withdrawals or suspension. In no event shall the seller be entitled to any indirect or consequential loss of damage howsoever arising and whether foreseeable or not.

18. DEFAULT

If Seller:

- (a) Is or is likely to become insolvent, enters (voluntarily or involuntarily) a bankruptcy proceeding, or makes a general assignment for the benefit of its creditors;

- (b) Fails to comply with any of its obligations under the Contract

- then Buyer may, in addition to its other rights and remedies herein, at its option either remedy the default at Seller's expense or terminate the Contract after first giving Seller thirty (30) days written notice to remedy such default, if Seller has failed to remedy such default within such thirty (30) day period.

Immediately after such termination, Buyer may:

- (i) take possession of the Items wherever they may be located and in whatever state of completion they may be together with all drawings and other information necessary to enable Buyer to have the Items completed, installed, operated, maintained and/or repaired;
- (ii) pay to Seller any amount then due under the Contract after taking full credit for any offsets to which Buyer may be entitled;
- (iii) contract with or employ any other party or parties to finish the Items; and

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(iv) collect from Seller any additional expense, losses or damage which Buyer may suffer

19. WORK ON PREMISES

Before Seller provides any services or work on Buyer's premises, Seller will examine the premises and any specifications or other documents furnished in connection with the Items and satisfy itself as to the condition of the premises and site. No allowance shall be made in respect of any error as to any of the foregoing on the part of Seller. Seller shall at all times keep the premises free from accumulations of waste material or rubbish. At the completion of installation of the Items, Seller shall leave the premises and the Items broom-clean. Seller assumes all risks and shall indemnify and hold Buyer and its employees harmless from and against all damages, claims, suits or liabilities arising out of, or in any way connected with damages to vehicles or other personal property of Seller, its employees and subcontractors caused by accidents or occurrences on Buyer's premises, even if Seller has been negligent. Seller shall comply with the Buyer's reasonable security and other codes and policies applicable to the premises from time to time.

20. INDEPENDENT CONTRACTOR

Seller is and shall remain an independent contractor and neither Seller nor any of its employees or agents shall be considered an employee of Buyer. Neither Seller nor any of its employees or agents is authorized to incur any obligations or make any promises or representations on Buyer's behalf.

21. ASSIGNMENT

Seller may not assign the Contract or any right there under without the prior written consent of Buyer. Buyer may assign, without Seller's consent, this Contract and its interest herein to any affiliate or to any entity succeeding to Buyer's business. Subject to the foregoing, these terms and conditions shall be binding on and inure to the benefit of the parties and their successors and assigns.

22. ENTIRE AGREEMENT

This Contract constitutes the entire agreement between the parties and supersedes all previous negotiations, agreements and commitments with respect therefore. Neither party has relied on any representation, arrangement, understanding or agreement (whether written or oral) that is not expressly set out or referred to in this Contract (save in relation to fraud). Any terms and conditions printed on any other purchase order, release order, acknowledgment, invoice or other form issued by either Seller or Buyer which conflicts in any way with the terms and conditions of this Contract are superseded by this Contract.

23. SEVERABILITY AND WAIVER

The invalidity or unenforceability of any term or condition of this Contract shall not affect the validity or enforceability of the remainder of this Contract. Buyer reserves the right to correct clerical or similar errors relating to any terms of this Contract. The failure of either party to insist, in any one or more instances, upon performance of any term, covenant or condition of this Contract shall not be construed as a waiver or relinquishment of any right granted hereunder or of the future performance of such term, covenant or condition.

24. FORCE MAJEURE

Buyer shall not be responsible for default hereunder where such has been caused by an act of God, war, major disaster, terrorism, third-party criminal acts, insurrection, riot, flood, earthquake, fire, labour disturbance, operation of statutes, laws, rules or rulings of any court or government, or any other cause beyond Buyer's control.

25. GOVERNING LAW

This Contract shall be governed by and construed according to English Law and the parties irrevocably agree the courts of England shall have exclusive jurisdiction to hear and decide any suit, action proceedings and / or settle any disputes which may arise out of or in connection with this Contract. This Contract shall not be governed by the provisions of the United Nations Convention on Contracts for the International Sale of Goods.

26. SURVIVAL

The provisions of Sections 2, 3, 8, 9, 12, 15, 16, 20, 22, 23, 25, 28, 29, 30, 31 and 32 [33] and any other provision, the performance of effectiveness of which naturally survives, shall survive expiration or termination of this Contract for any reason.

27. ALLOCATION

In the event of a partial failure of Seller's sources of supply, Seller will first meet all of Buyer's requirements hereunder prior to any allocation among other customers.

28. CONFIDENTIAL INFORMATION

During the term of this Contract the Seller shall keep Confidential Information confidential and secure and will not disclose it to any other person not entitled to receive such information except as may be necessary to fulfil its obligations under this Contract or as may be required by law. For the avoidance of doubt the Seller shall be entitled to disclose Confidential Information but only to the extent necessary to its insurers or professional advisors. This clause will not apply to Confidential Information which was rightfully in the possession of the Seller

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prior to this Agreement, which is already public knowledge or becomes so at a future date (otherwise than as a result of a breach of this clause). In the event of any conflict the provisions of any confidentiality agreement entered into between the parties shall prevail over this clause.

30. NO PUBLICITY.

Neither Party shall make any press announcements or publicise the terms of this Agreement in any way without the prior written consent of the other Party.

31. NOTICES.

All notices and other communications in connection with this Contract shall be in writing and shall be sent to the respective parties at its registered office address, or to such other addresses as may be designated by the parties in writing from time to time in accordance with this clause, by hand, or by registered mail, postage prepaid, or by express courier service, service fee prepaid, or by facsimile transmission. All notices shall be deemed received

- (i) If given by hand, immediately,
- (ii) If given by registered mail, five days after posting,
- (iii) If given by express courier service, the second day following dispatch or
- (iv) If given by facsimile transmission, when transmission has been completed provided that a hard copy of the facsimile is sent by first class post on the same day as transmission.

32. THIRD PARTY RIGHTS

No third party shall have any rights under or in connection with this Contract by virtue of the Contracts (Rights of Third Parties) Act 1999 and nor shall the consent of any third party be required to vary or terminate this Contract.

33. NON-SOLICITATION.

Each party agrees that it will not solicit for employment or employ any employee of the other with whom it may have had contact as a result of this Contract. This restriction shall apply during the course of this Contract and for six months after its termination for whatever reason.