

EA Recycling Ltd (the Company)
CONDITIONS OF PURCHASE FOR GOODS AND SERVICES

1. DEFINITIONS

In these Conditions:

- (a) 'the Supplier' means the person, firm or company to whom the order is addressed.
(b) 'the Goods' means those goods and any related services to be provided by the Supplier to the Company pursuant to the Order.
(c) 'the Order' means a purchase order in respect of Goods issued by the Company to the Supplier on the Company's official purchase order form, together with all other documents referred to therein.

2. APPLICATION

(a) These Conditions alone shall govern and be incorporated in every contract between the Supplier and the Company for the supply of the Goods and shall be in substitution for any oral arrangements made between the Company and the Supplier and shall prevail over any terms or conditions (whether or not in conflict or inconsistent with these Conditions) contained in or referred to in any documentation submitted by the Supplier including the Supplier's quotation or acceptance of Order or correspondence or elsewhere or implied by trade custom or practice or course of dealing and no addition to or variation of or exclusion or attempted exclusion of the Order and / or these conditions or any of them shall be binding upon the Company unless specifically agreed to in writing and signed by a director of the Company.

(b) If, subsequent to any contract which is subject to these Conditions, a contract of purchase is made with the same Supplier without reference to any conditions of purchase, such contract shall be deemed to be subject to these Conditions.

3. ACCEPTANCE OF ORDER

All the terms of the contract between the Company and the Supplier are contained in or referred to in the Order and in these Conditions. The execution and return of the acknowledgement copy of the Order to the Supplier or commencement of work or commencement of delivery pursuant to the Order constitutes acceptance of the Order on the terms hereof by the Supplier. The acceptance of the Order is limited to and conditional upon acceptance by the Supplier of these Conditions.

4. COMPANY INSTRUCTIONS

The Company shall be under no responsibility to accept delivery of Goods for which written instructions have not been provided by the Company. Deliveries of Goods other than in accordance with the Order may (at the Company's discretion) be returned to the Supplier at the Supplier's expense and risk and the Supplier shall pay all the Company's costs of packing, handling and sorting such deliveries. The Company may (at its reasonable discretion) from time to time change any details specified in the relevant Order by written instructions.

5. INSPECTION

The Company shall be entitled to inspect and examine the Goods during manufacture whilst at the Supplier's premises during working hours and by prior arrangement with the Supplier (agreement to inspection not to be unreasonably withheld). No such inspection shall constitute or imply acceptance of the Goods or relieve the Supplier of full responsibility for complying with the terms of the Order.

6. ORIGIN AND SAFETY

The Supplier shall, upon receipt of a request from the Company, provide to the Company as soon as possible evidence of the place of origin of Goods (or components, parts or raw materials used in such manufacture) purchased or to be purchased by the Company pursuant to the Order. The Supplier shall submit with the Goods full instructions for use and clear warnings with respect to anything which may reasonably be done or omitted to be done in relation to the Goods and which could render them unsafe.

7. MODIFICATIONS

The Supplier agrees to inform the Company forthwith if any modifications affecting the performance or essential specified characteristics of the Goods or any tooling associated therewith is found necessary during manufacture or commissioning and such modifications must immediately be described in revised drawings to be submitted to the Company. No modifications shall be effected without the prior agreement in writing of the Company.

8. PACKING, MARKING AND DOCUMENTATION

(a) The Goods shall be properly packed, marked with the Company's Order number and delivered at the Supplier's expense in writing. All invoices will show the Order and the Company's order number in all correspondence with the Company in relation to the Order.

(b) Each advice note, bill of lading and invoice shall bear any applicable component number, item number, delivery date and the location to which the Goods are to be delivered.

(c) Advice notes and invoices must be sent as directed by the Order.

(d) A separate invoice and certificate must be rendered for each individual delivery of Goods unless otherwise agreed in writing. All invoices will show the Order and item number. In addition to the component number, descriptions, prices, values and such other details as are required by tax and general legislation must also be included.

(e) The Supplier agrees on request to supply the Company with any necessary declarations and documents stating the origin of the Goods and the manner in which they qualify for E.U. or E.F.T.A. preferences.

9. DELIVERY DATES

It is of the essence of performance by the Supplier of the Order. If delivery dates for the Goods cannot be met, the Supplier shall promptly notify the Company of the earliest possible date for delivery of the Goods. Notwithstanding such notice, and unless a substitute delivery date for the Goods has been expressly agreed to by the Company in writing, the Supplier's failure to date specified in the Order, shall entitle the Company to cancel this Order without liability to the Supplier, to purchase substitute items or services elsewhere and / or to recover from the Supplier any loss and additional costs incurred. Delivery by way of instalments shall not be accepted by the Company unless previously agreed in writing.

10. DELIVERY POINTS

The Goods shall unless otherwise specified by the Company be delivered carriage paid at the Company's premises. If the Goods are incorrectly delivered the Supplier will be liable for any additional expense involved in handling and delivering them to their correct destination.

11. NOTIFICATION

The Supplier will report immediately to the Company the occurrence of any event either within or beyond its control which is likely to affect delivery of the Goods.

12. QUALITY, QUANTITY AND DESCRIPTION

(a) It is a condition of the Order that the Goods supplied to the Company under the Order shall be of first class materials and workmanship throughout and must meet the governing specifications referred to in the Order as to quantity, quality standards and description.

(b) If delivery pursuant to the Order is incomplete, the Company reserves the right (without prejudice to any of its other rights) to accept or reject the Goods so delivered and to cancel or vary the balance of the Order.

(c) Materials and articles intended for use in the Company's manufacturing process for the production or protection of Goods likely or intended to come into contact with food are purchased from the Supplier on the condition that they contain nothing rendering them unsuitable for such purposes and that they conform in all respects with the requirements of the Materials and Articles in Contact with Food Regulations 1987 and of all other laws and regulations relating to materials and articles in contact with foods which are in force in the United Kingdom from time to time. Such materials are purchased under warranty and all invoices in respect thereof must include the statement that they conform with this requirement.

(d) The Company will endeavour to notify the Supplier of any goods or materials incorrectly delivered or damaged in transit or detained in transit, but will not be responsible for giving notice to the carrier of any such occurrence.

13. GOODS REQUIRING INSTALLATION BY SUPPLIER

(a) In respect of Orders in which the Supplier is responsible for installation of the Goods, then such installation shall be to the satisfaction of the Company's authorised works engineer or any other duly appointed representative. In such circumstances, the Company's representative will issue a commissioning certificate to the Supplier's employee or agent responsible for installation in respect of installation of the Goods, and the Supplier's employee or agent shall not withdraw from the site of installation without the agreement of the Company. The Supplier shall be responsible for clearing away and removing from the site all constructional plant, service material, rubbish and temporary works of any kind and leave the whole site and the Goods clean and in workman-like condition to the satisfaction of the Company.

The Supplier may by arrangement with the Company leave such equipment and spare parts as may be necessary to carry out its duties under the Order, but such equipment must be removed whenever specified by the Company. The issue of a commissioning certificate does not constitute acceptance of the Goods.

(b) The Supplier shall ensure that its employees and agents observe all statutory and other legal requirements in relation to provision of the services pursuant to the Order and will further ensure that such employees and agents do not trespass on parts of the Company's premises for which they are not authorised and that they do not trespass or cause damage to premises of any adjoining owner or occupier. If any of the Company's equipment is used without proper authority by any employee or agent of the Supplier any accident or damage arising therefrom shall be the Supplier's responsibility, and the Supplier shall indemnify the Company in respect of any liabilities arising from such unauthorised use. Any employee or agent of the Supplier shall at all times whilst on the Company's premises comply with all security and safety regulations and rules from time to time in force on those premises and will be deemed to have full knowledge of such regulations copies of which will be supplied upon request.

(c) During installation the Supplier shall provide and maintain at its own cost all guards, fencing etc. when and where necessary for the protection of the Goods and the site shall inform the Company when and what amount of temporary lighting will be necessary for installation in accordance with the Order. Any such lighting must meet the requirements of the Company.

14. ACCEPTANCE OF GOODS

(a) The Goods shall be subject to inspection and testing by the Company. In any case where the Goods or any part thereof (whether or not inspected or tested by the Company) do not comply with the requirements of the Order the Company shall have the right to repair such Goods at the expense of the Supplier or to reject the Goods concerned and when doing so shall give notice of rejection to the Supplier specifying the reasons therefor and shall thereafter return any Goods concerned to the Supplier at the Supplier's risk and expense. In such case the Supplier shall within a reasonable time replace such rejected Goods with Goods which are in all respects in accordance with the Order.

(b) If the Supplier shall fail to replace any rejected Goods within a reasonable time the Company shall have the right to purchase replacement Goods from another source and any money paid by the Company to the Supplier in respect of the rejected Goods together with any additional expenditure over and above the contract price reasonably incurred by the Company in obtaining replacement Goods shall be paid by the Supplier to the Company.

15. INDEMNITY

THE SUPPLIER AGREES TO INDEMNIFY AND AT ALL TIMES TO HOLD THE COMPANY, ITS AGENTS, EMPLOYEES, OFFICERS, SUBSIDIARIES, ASSOCIATED COMPANIES AND ASSIGNS INDEMNIFIED FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST OR EXPENSE INDIRECTLY OR DIRECTLY ARISING FROM OR CONSEQUENTIAL UPON:-

(A) ANY ALLEGED OR ACTUAL INFRINGEMENT OF ANY PATENT, REGISTERED DESIGN, COPYRIGHT, TRADEMARK OR OTHER RIGHTS OF PROPERTY VESTED IN ANY OTHER PERSON, FIRM OR COMPANY RESULTING FROM THE PURCHASE, USE OR RESALE BY THE COMPANY, ITS SERVANTS, AGENTS OR CUSTOMERS OF THE GOODS OR ANY PART THEREOF

(B) ANY BREACH OF UNITED NATIONS EMBARGOES OR ACT OR OMISSION IN THE PERFORMANCE OF OR IN CONNECTION WITH ANY OR ALL OF THE OBLIGATIONS UNDERTAKEN BY THE SUPPLIER, ITS AGENTS, EMPLOYEES OR SUB-CONTRACTORS OR THEIR AGENTS OR EMPLOYEES, OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY LIABILITY ARISING AS AFORESAID FROM ANY INJURY TO ANY PERSON OR PERSONS BUT EXCLUDING ANY SUCH LIABILITY, DAMAGE OR LOSS ARISING DIRECTLY FROM NEGLIGENCE OR THE NEGLIGENCE OF THE COMPANY, ITS AGENTS, EMPLOYEES OR SUB-CONTRACTORS. THE SUPPLIER SHALL HAVE NO OBLIGATION TO INDEMNIFY UNDER THIS CONDITION IF AND TO THE EXTENT THAT ANY RELEVANT LIABILITY, DAMAGE, LOSS, COST OR EXPENSE INCURRED WAS ONLY INCURRED BECAUSE THE SUPPLIER DELIVERED THE GOODS STRICTLY IN ACCORDANCE WITH THE DESIGNS, PLANS OR SPECIFICATIONS SUPPLIED BY THE COMPANY.

16. INSURANCE

The Supplier will at all times insure and keep himself insured with a reputable insurance company against all insurable liability under the Order and in respect of the Goods including without limitation insurance against all the Supplier's liabilities under Condition 15. The Supplier will provide all facilities, assistance and advice required by the Company or the Company's insurers for the purpose of contesting or dealing with any action claim or matter arising out of the Supplier's performance of the Order.

17. DELAYS/FORCE MAJEURE

(a) Neither the Company nor the Supplier shall be liable to the other for a failure to perform under the Order arising from cause or events beyond the reasonable control of the Company or the Supplier respectively.

(b) In the event of a failure by the Supplier to perform as required by the Order arising from any causes or events beyond its reasonable control the Company shall be entitled to obtain the Goods elsewhere for the duration of such failure and to reduce, pro tanto, and without any obligation upon the Company, the quantity or amount of the Goods ordered from the Supplier under the Order. If the Supplier is unable to resume performance within a reasonable time after the due date the Company may cancel the Order by notice in writing to the Supplier and shall be under no liability whatsoever to the Supplier in respect of such cancellation.

18. PACKING

The Company shall not accept a charge for packages or containers unless specified in the Order. Packaging will not be returned to the Supplier unless previously agreed in writing. The costs of collection, storage, insurance and carriage will at all times be borne by the Supplier.

19. PRICE

(a) All prices for the Goods shall be as stated in the Order, save that if no such price is stated the price of Goods shall be the lowest price currently quoted or charged at the date of the Order by the Supplier for those Goods, but in no event higher than the price most recently charged to the Company by the Supplier for those Goods.

(b) Where Goods are subject to purchase tax, value added tax or any other similar taxation the amount legally deductible is to be rendered as a separate item of account and if required by the Company the Supplier will produce bona fide evidence of the amount paid or to be paid in respect thereof.

20. TERMINATION

(a) Without prejudice to any other rights or remedies to which it may be entitled the Company may by written notice to the Supplier terminate the Order forthwith and without liability in the event that:-

- (i) the Supplier refuses or fails to make deliveries of the Goods within the time specified in the Order or refuses or fails to perform any other provisions of the Order and fails to remedy such breach within 10 days after receipt of written notice from the Company requiring remedy thereof; or
(ii) the Supplier (being an individual) enters into a voluntary arrangement or compounds with his creditors or if a petition is presented for the making of a bankruptcy order against him or if (being a company) an order is made or a resolution is passed for the winding-up of the Supplier (otherwise than for the purposes of amalgamation or reconstruction previously approved in writing by the Company) or if a meeting is called to approve the appointment of a liquidator to the Supplier or if a petition is presented to the Court for the appointment of a liquidator to the Supplier or if a receiver, manager, administrative receiver or an administrator is appointed or a petition is presented to the Court for the appointment of an administrator to the Supplier or over any part of the Supplier's undertaking or if circumstances arise which might entitle the Court or a creditor to appoint a receiver, manager, administrative receiver or administrator or which might entitle the Court to make a winding-up Order or if the Supplier takes or suffers any similar or analogous action in consequence of debt.

(b) The Company may by written notice to the Supplier terminate the Order forthwith and without liability save that the Company shall pay a fair and reasonable price to the Supplier for all Goods ordered at the time of cancellation and subsequently received by the Company. The Company shall not be liable for any further loss to the Supplier arising out of such termination including without limitation any consequential loss.

21. TITLE AND RISK

The property and risk in the Goods shall pass to the Company on physical receipt of the Goods in accordance with the Order, however the title of the Goods remains to EA Recycling until the goods are in full, without prejudice to any right of rejection which may accrue to the Company under these Conditions or otherwise.

22. WARRANTY

(a) The Supplier warrants and it is a condition of the Order that the design, construction and quality of the Goods will comply in all respects with any statutory rule or regulation which may be in force at the time of delivery and that the Goods will be fit and suitable for the purposes intended by the Company, of merchantable quality and of good material and workmanship and free from defect and that the Goods supplied will not breach any United Nations embargoes.

(b) The warranties and remedies provided for in this Condition and Condition 9 above shall be in addition to those implied by or available at law or in equity and shall continue in force notwithstanding the acceptance by the Company of all or part of the Goods in respect of which such warranties and remedies are applicable.

23. ASSIGNMENT AND SUB-CONTRACTING

Neither the Order nor any rights and obligations of the Supplier, nor any part thereof shall be assigned, sub-contracted or transferred in any other manner by the Supplier to a third party without the Company's prior written consent. Any such consent to sub-contracting shall not relieve the Supplier of any obligation to comply with these Conditions or the Order.

24. DRAWINGS, SPECIFICATIONS AND INFORMATION

(a) All specifications, drawings, sketches, models, samples, tools, designs, technical information or data and other proprietary information written, oral or otherwise ('information'), furnished to the Supplier by the Company or on its behalf and all rights therein shall remain the property of the Company and shall be returned promptly to the Company (together with all copies) at the Company's request. Such information shall be treated as strictly confidential, shall be kept safe and shall not be used or disclosed by the Supplier except and to the limit of disclosure as agreed in writing by the Company in order to perform the contract. Unless the Company has otherwise agreed in writing all information of every description whether written or oral or three dimensional prepared by the Supplier in connection with the Order shall be the Company's sole property and the Company may reproduce and use the said items freely for any purpose whatsoever.

(b) The Supplier shall provide all such information as the Company may from time to time request in order to enable the Company to fulfil its obligations under the Health and Safety at Work Act 1974, the Control of Substances Hazardous to Health Regulations 1988, the Environment Protection Act 1990 and other applicable statutes, rules and regulations relating to health and safety and/or the protection of the environment.

25. TERMS OF PAYMENT AND CONTRA-SUMS

(a) Terms of payment shall be as agreed in writing by the parties from time to time. In the absence of alternative agreement payment will be due sixty days after the end of the calendar month in which a valid invoice is received. Time shall not be of the essence in respect of payments due from the Company to the Supplier pursuant to the Order.

(b) The Company reserves the right to deduct from any monies due or becoming due to the Supplier any monies due from the Supplier to the Company in connection with the Goods supplied to the Company or in connection with any other sums owing by the Supplier to the Company.

(c) Where the Company or any other member of the Company's Group has supplied any goods or services to the Supplier (and whether or not payment therefore is then due), the Supplier agrees with the Company that the Company may by notice in writing to the Supplier elect to pay to such member sums equivalent to all or such parts as the Company may elect of any sums owed by the Company to the Supplier, whereupon the Company shall to the extent of such payment be discharged from its obligations to make payment under this contract, and the Company shall procure that such member shall to such extent discharge, the Supplier from its obligations to pay for the goods or services supplied by such member. In this Condition 25(c) 'Company Group' means the Company, its holding companies and all subsidiaries thereof ('Holding Company' and 'Subsidiary' having the meanings ascribed thereto in Section 1159 of the Companies Act 2006) and any Subsidiary Company in which the aforesaid together hold 50 per cent or more in aggregate of its equity share capital (as defined in the said Section). This Condition 25(c) shall survive termination of the contract for whatever reason.

26. CHANGES

The Supplier shall not make any changes whatsoever in the colour, specification, design or composition of the Goods except with the Company's prior written consent.

27. COMPANY'S PROPERTY

The following provisions of this Condition shall apply to any material or property sent by the Company to the Supplier for any purpose in connection with the Order and whenever the Order requires to repair or apply a process to Goods or materials owned by the Company (hereinafter called 'Company's Property') which the Company makes available for that purpose.

(a) The Company's Property shall be returnable on demand.

(b) The Supplier shall indemnify the Company against loss or damage to the Company's Property while it is in the possession custody or control of the Supplier or of any permitted sub-contractor. During such time the Supplier shall adequately insure against such loss or damage and shall produce on demand by the Company the policy of such insurances and the premium receipts.

(c) The Supplier shall keep the Company's Property separate from all property of others. The Company's Property shall not be removed from the Supplier's premises without the Company's written authority (except for the purposes of fulfilling the Order).

(d) The Supplier shall keep separate account of all Company's Property and will furnish statements on request giving details, description and location thereof both before and after repair or processing (as the case may be) as well as any other information regarding the Company's Property asked for by the Company. The Company and persons authorised by it shall be entitled at all reasonable times to check and inspect the Company's Property and the Supplier's records thereof and may enter the Supplier's land and buildings for those purposes.

(e) The Supplier shall promptly pay to the Company on demand the full value of any of the Company's Property which is not returned.

28. LICENCES

If the performance of the Order requires the Company to have any permit or licence from any government or other authority at home or overseas, the Order shall be conditional upon such permit or licence being available at the required time.

29. ADVERTISING

The Supplier will not without the prior written consent of the Company advertise or publish in any way whatsoever the fact that the Supplier has contracted to supply the Goods to the Company.

30. WAIVER

Failure by the Company to exercise or enforce any rights under the contract or at law shall not be deemed to be a waiver of any such right nor operate to bar its exercise or enforcement at any future time or times.

31. SEVERABILITY

If any of these Conditions is held to be invalid, illegal or unenforceable in any respect whether in whole or in part such invalidity, illegality or unenforceability shall not prejudice the effectiveness of the rest of these Conditions or the remainder of any part of a Condition affected.

32. HEADINGS

The headings of these Conditions do not form part of the Conditions and shall not affect their interpretation.

33. NOTICES

Any notice hereunder shall be deemed to have been duly given if sent by first class post (airmail to an address outside the United Kingdom) or by fax to the party concerned at its last known address. Notices sent by first class post shall be deemed to have been given seven days after despatch (fourteen days if sent by airmail) and notices sent by fax shall be deemed to have been given at the time of transmission if sent on a working day prior to 4pm and otherwise on the next working day.

34. GOVERNING LAW

These Conditions and the Order shall be governed by and construed in accordance with the laws of England and the parties hereby submit to the jurisdiction of the English Courts.