

STANDARD TERMS AND CONDITIONS OF SALE

1 INTERPRETATION

1.1 The definitions and rules of interpretation in this condition apply in these conditions.

"Company" Röchling Fibracon Ltd. of Bowden Hey Road, Chapel-en-le-Frith, High Peak, SK23 0QZ. Registered in England and Wales with company number 01447473.

"Contract" any contract between the Company and the Customer for the sale and purchase of the Goods, incorporating these conditions and the Specification.

"Customer" the person, firm or company who purchases the Goods from the Company.

"Goods" any goods which the Company to be supplied to the Customer in accordance with the Contract by the Company (including any part or parts of them).

"Specification" the specification for the Goods provided by the Customer including but not limited to any drawings or designs and material specifications that is agreed in writing by the Customer and the Company.

"Business Day" means a day (other than a Saturday, Sunday or public Holiday) when banks in London are open for business.

"Conditions" means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Company and the Customer.

1.2 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.

1.3 Words in the singular include the plural and in the plural include the singular and a reference to one gender includes a reference to the other gender.

1.4 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2 APPLICATION OF TERMS

2.1 Subject to any variation under **condition 2.3**, each Contract shall be on these conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Customer purports to apply under any purchase order, confirmation of order, Specification or other document).

2.2 No terms or conditions endorsed on, delivered with or contained in the Customer's purchase order, confirmation of order, Specification or other document shall form part of the Contract simply as a result of such document being referred to in the Contract.

2.3 These conditions apply to all the Company's sales and any variation to these conditions and representations about the Goods shall have no effect unless expressly agreed in writing

and signed on behalf of the Company. The Customer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of the Company, which is not set out in the Contract. Nothing in this condition shall exclude or limit the Company's liability for fraudulent misrepresentation.

2.4 Any typographical error or omission in any sales literature, quotation, price list, acceptance, offer, invoice or other document or information issued by the Company shall be subject to correction without any liability on the part of the Company.

2.5 Any advice or recommendation given by the Company or its employees or agents to the Customer or its employees or agents as to the storage, application or use of the Goods which is not confirmed in writing by the Company is followed or acted upon entirely at the Customer's own risk, and accordingly the Company shall not be liable for any such advice or recommendation which is not so confirmed.

2.6 Each order or acceptance of a quotation for Goods by the Customer from the Company shall be deemed to be an offer by the Customer to buy Goods subject to these conditions.

2.7 No order placed by the Customer shall be deemed to be accepted by the Company until a written acknowledgement of order is issued by the Company or (if earlier) the Company delivers the Goods to the Customer. The Customer shall ensure that the terms of its order and any applicable drawing, design or specification are complete and accurate.

2.8 No Order may be cancelled by the Customer except with the agreement in writing of the Company and on terms that the Customer shall indemnify the Company in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by the Company as a result of cancellation.

2.9 Any quotation is valid for a period of 30 days only from its date, provided that the Company has not previously withdrawn it.

3 DESCRIPTION

3.1 The quantity and description of the Goods shall be as set out in the Contract.

3.2 The Specification is the sole responsibility of the Customer unless otherwise agreed, and for giving the Company any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms. The Company has no liability for defects if the Goods are manufactured in accordance with the Specification.

3.3 The Company reserves the right to make any changes in any Specification of the Goods which are required to conform with any applicable statutory or EU requirements or, where the Goods are to be supplied to the Company's Specification, which do not materially affect their quality or performance.

3.4 In the event that it is necessary for the Company to purchase or manufacture special tools in order to be able to carry out the Contract ("Special Tools"):

3.4.1 the Company will notify the Customer in writing and give a written quotation for the cost of the Special Tools; and

3.4.1 the Customer must send written acceptance of the Company's quotation and payment in cleared funds for the cost of the Special Tools to the Company before the Company shall be obliged to purchase or manufacture the Special Tools; and

3.4.2 unless otherwise agreed the Special Tools shall remain the property of the Company which undertakes to maintain them in reasonable repair and to keep them for a minimum period for three years. If during the period of three years the Special Tools have not been used the Company shall be entitled to dispose of the same.

4 SAMPLING

4.1 If the Contract is made subject to approval of samples by the Customer, the Company shall manufacture samples of the Goods (the "Samples") and the Samples shall be submitted to the Customer for approval. The Company shall not be required to commence the manufacture of the Goods (or any quantities of the Goods), until it has received written approval of the Samples from the Customer. The Customer shall provide written approval within 30 days of receipt of the Samples and approval shall not be unreasonably withheld.

4.2 The Samples shall be tested in accordance with the Company's recommended testing procedures, details of which will be made available to the Customer upon request at the time of delivery of the samples.

4.3 If the Company manufactures the Samples in accordance with the quotation, and the Customer subsequently determines that the Specification needs to be altered, the Customer will submit a new Specification to the Company and the Company may submit a revised a quotation to the Customer.

4.4 All costs associated with the production and testing of the Samples shall be charged to the Customer unless otherwise agreed.

5 DELIVERY

5.1 Delivery of the Goods shall take place at the Company's place of business, unless otherwise agreed in writing by the Company (the "Delivery Point").

5.2 The Customer shall take delivery of the Goods within 5 days of the Company giving it notice that the Goods are ready for delivery, unless otherwise agreed in writing by the Company.

5.3 Any dates specified by the Company for delivery of the Goods are intended to be an estimate and time for delivery shall not be made of the essence by notice. If no dates are so specified, delivery shall be within a reasonable time. The Company shall not be liable for any delay in delivery of the Goods howsoever caused. The Goods may be delivered by the Company in advance of the quoted delivery date upon giving reasonable notice to the customer.

5.4 Subject to the other provisions of these conditions the Company shall not be liable for any direct, indirect or consequential loss (all three of which terms include, without limitation, pure economic loss, loss of profits, loss of business, depletion of goodwill and similar loss), costs, damages, charges or expenses caused directly or indirectly by any delay in the delivery of the Goods (even if caused by the Company's negligence), nor shall any delay entitle the Customer to terminate or rescind the Contract unless such delay exceeds 90 days.

5.5 If for any reason the Customer fails to accept delivery of any of the Goods when they are ready for delivery, or the Company is unable to deliver the Goods on time because the Customer has not provided appropriate instructions, documents, licences or authorisations:

5.5.1 risk in the Goods shall pass to the Customer (including for loss or damage caused by the Company's negligence);

5.5.2 the Goods shall be deemed to have been delivered; and

5.5.3 the Company may store the Goods until delivery, whereupon the Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

5.6 The Company may deliver the Goods by separate instalments. Each separate instalment shall be invoiced and paid for in accordance with the provisions of the Contract.

5.7 Each instalment shall be a separate Contract and no cancellation or termination of any one Contract relating to an instalment shall entitle the Customer to repudiate or cancel any other Contract or instalment.

5.8 Where delivery of the Goods is to be made by the Company in bulk, the Company reserves the right to deliver up to 5% more or less than the quantity contained in the Order subject to an appropriate adjustment in the price, and the quantity so delivered shall be deemed to be the quantity ordered.

5.9 The Customer shall provide at the Delivery Point and at its expense adequate and appropriate equipment and manual labour for loading the Goods.

5.10 Any liability of the Company for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or issuing a credit note at the pro rata Contract rate against any invoice raised for such Goods.

6 RISK/TITLE

6.1 The Goods are at the risk of the Customer from the time of delivery.

6.2 Title in the Goods shall not pass to the Customer until the Company has received in full (in cash or cleared funds) all sums due to it in respect of:

6.2.1 the Goods; and

6.2.2 all other sums which are or which become due to the Company from the Customer on any account.

6.3 Until ownership of the Goods has passed to the Customer, the Customer shall:

6.3.1 hold the Goods on a fiduciary basis as the Company's Bailee;

6.3.2 where practicable, store the Goods (at no cost to the Company) separately from all other goods of the Customer or any third party in such a way that they remain readily identifiable as the Company's property;

6.3.3 not destroy, deface or obscure any identifying mark or packaging on or relating to the Goods; and

6.3.4 maintain the Goods in satisfactory condition and keep them insured on the Company's behalf for their full price against all risks to the reasonable satisfaction of the Company.

6.4 Until ownership of the Goods has passed to the Customer (and provided the Goods are still in existence and have not been resold) the Company shall be entitled at any time to require the Customer to deliver up the Goods to the Company and, if the Customer fails to do so forthwith, to enter upon the premises of the Customer or any third party where the Goods are stored and repossess the Goods.

6.5 The Company hereby authorises the Customer to use and/or sell the Goods in the normal course of the Customer's business. If the Customer sells the Goods prior to paying the full price thereof the Customer shall hold the proceeds of sale on trust for the Company. The Company may require the Customer to assign all claims that the Customer may have against purchasers of such Goods from the Customer.

6.6 The Customer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods, for which title was not passed to the Customer, but if the Customer does so all moneys owing by the Customer to the Company shall (without prejudice to any other right or remedy of the Company) forthwith become due and payable.

6.7 The Company shall be entitled to recover payment for the Goods notwithstanding that ownership of any of the Goods has not passed from the Company.

6.8 Where the Company is unable to determine whether any Goods are the goods in respect of which the Customer's right to possession has terminated, the Customer shall be deemed to have sold all goods of the kind sold by the Company to the Customer in the order in which they were invoiced to the Customer. The Customer shall indemnify the Company in respect of all costs and expenses incurred by the Company as a result of the Company enforcing any right granted to the Company pursuant to this condition 6 and any costs and expenses arising out of any judgement granted in favour of the Company in respect of any invoice which remains unpaid by the Customer.

6.9 On termination of the Contract, howsoever caused, the Company's (but not the Customer's) rights contained in this condition 6 shall remain in effect.

7 PRICE

7.1 Unless otherwise agreed by the Company in writing, the price for the Goods shall be the price set out in the Company's quotation or acknowledgment of order (the "Purchase Price").

7.2 Where no price has been quoted (or a quoted price is no longer valid), the price listed in the Company's published price list current at the date of acceptance of the order.

7.3 The Purchase Price may be amended at any time prior to delivery to take into account any increase in material costs reasonably incurred by the Company provided that the Company notifies the Customer of any variation prior to effecting such delivery to the Customer.

7.4 Except as otherwise stated under the terms of any quotation or in any price list of the Company, and unless otherwise agreed in writing between the Customer and the Company, all prices are given by the Company on an ex works basis, and where the Company agrees to deliver the Goods otherwise than at the Company's premises, the Customer shall be liable to pay the Company's charges for transport and packaging.

7.5 If the Company agrees to a variation in the quantity of the Goods to be supplied under the Contract, the Company reserves the right to amend the Purchase Price accordingly.

7.6 Unless otherwise specified by the Company in writing, the Purchase Price shall be exclusive of any value added tax and all costs or charges in relation to packaging, loading, unloading, carriage and insurance, all of which amounts the Customer shall pay in addition when it is due to pay for the Goods.

8 PAYMENT

8.1 Subject to condition 8.4, and unless otherwise agreed in writing, payment of the Purchase Price is due in pounds sterling within 30 days from the end of the month in which the Company's invoice is issued.

8.2 Time for payment shall be of the essence.

8.3 No payment shall be deemed to have been received until the Company has received cleared funds.

8.4 All payments payable to the Company under the Contract shall become due immediately on its termination despite any other provision.

8.5 The Customer shall make all payments due under the Contract in full without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Customer has a valid court order requiring an amount equal to such deduction to be paid by the Company to the Customer.

8.6 If the Customer fails to pay the Company any sum due pursuant to the Contract then, without prejudice to any other right or remedy available to the Company, the Company shall be entitled to:

- 8.6.1 cancel the Contract or suspend any further deliveries to the Customer;
- 8.6.2 appropriate any payment made by the Customer to such of the Goods (or the goods supplied under any other contract between the Customer and the Company) as the Company may think fit (notwithstanding any purported appropriation by the Customer); and
- 8.6.3 charge the Customer interest on the amount unpaid from the due date for payment at the annual rate of 8% above the base lending rate from time to time of The Bank Of England, accruing on a daily basis until payment is made, whether before or after any judgment as per the provisions in the Late Payment of Commercial Debts (Interest) Act 1998 and Late Payment of Commercial Debts Regulations 2013.
- 8.6.4 claim compensation for debt recovery costs on late payments as set out in the Late Payment Directive October 2014.

9 QUALITY

9.1 The Company warrants that (subject to the other provisions of these conditions) the Goods will correspond with the Specification at the time of delivery and will be free from defects in materials and workmanship for a period of 1 month from the date of delivery. Unless otherwise specified, machined components will be manufactured in accordance with ISO- 2768-M.

9.2 If the Goods are to be manufactured or any process is to be applied to the Goods by the Company in accordance with a Specification submitted by the Customer, the Customer shall indemnify the Company against all liabilities loss, damages, costs and expenses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by the Company in connection with or paid or agreed to be paid by the Company in settlement of any claim for actual or alleged infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Company's use of the Customer's Specification. This clause 9.2 shall survive termination of the Contract.

9.3 The warranty at condition 9.1 does not extend to Goods not manufactured by the Company. Where the Company is not the manufacturer of the Goods (or any part of the Goods), the Company shall endeavour to transfer to the Customer the benefit of any warranty or guarantee given to the Company.

9.4 The Company shall not be liable for a breach of the warranty in condition 9.1 unless the Customer gives written notice of the defect to the Company within 7 days from the date of delivery, or (where the defect or failure was not apparent or in reasonable inspection) within 2 days after discovery of the defect or failure.

9.5 If the Customer does not give written notice of a defect to the Company pursuant to condition 9.4, the Customer shall not be entitled to reject the Goods or any part thereof and the

Company shall have no liability for any such defect or failure and the Customer shall be bound to pay the Purchase Price.

9.6 If the Customer gives written notice of a defect to the Company pursuant to condition 9.4, the Company must be given a reasonable opportunity after receiving the notice to examine the Goods and the Customer (if asked to do so by the Company) shall return such Goods to the Company's place of business at the Company's cost for the examination to take place there.

9.7 The Company shall not be liable for a breach of the warranty in condition 9.1 if:

- 9.7.1 the Customer makes any further use of such Goods after giving such notice; or
- 9.7.2 the defect arises from any Specification or material supplied by the Customer; or
- 9.7.3 the defect arises from fair wear and tear, wilful damage, negligence or failure to follow the Company's advice regarding the assembly and application of the Goods (whether oral or in writing);
- 9.7.4 the defect arises because the Customer failed to follow the Company's recommended testing procedures, oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice; or
- 9.7.5 the Customer alters or repairs such Goods without the written consent of the Company; or
- 9.7.6 the total price for the Goods has not been paid by the due date for payment.

9.8 Subject to condition 9.3 and condition 9.4, if any of the Goods do not conform with the warranty in condition 9.1 the Company shall at its option repair or replace such Goods (or the defective part) or refund the price of such Goods at the pro rata Contract rate provided that, if the Company so requests, the Customer shall, at the Company's expense, return the Goods or the batch of such Goods which is defective to the Company.

9.9 If the Company complies with condition 9.8 it shall have no further liability for a breach of the warranty in condition 9.1 in respect of such Goods.

9.10 If the Company is in breach of its warranty at condition 9.1, but the Customer wishes to accept the Goods in concession of the Company's breach, directors or other senior representatives with appropriate authority, of both the Company and the Customer, will within 30 days of a written request from one party to other, meet in good faith to discuss the nature of the breach and its implications under the Contract.

10 LIMITATION OF LIABILITY

10.1 Subject to condition 5 and condition 8, the following provisions set out the entire financial liability of the Company (including any liability for the acts or omissions of its employees, agents and sub-contractors) to the Customer in respect of:

- 10.1.1 any breach of these conditions;
- 10.1.2 any use made or resale by the Customer of any of the Goods, or of any product incorporating any of the Goods; and

10.1.3 any representation, statement or tortious act or omission including negligence arising under or in connection with the Contract.

10.2 All warranties, conditions and other terms implied by statute or common law (save for the conditions implied by section 12 of the Sale of Goods Act 1979) are, to the fullest extent permitted by law, excluded from the Contract.

10.3 Nothing in these conditions excludes or limits the liability of the Company:

10.3.1 for death or personal injury caused by the Company's negligence; or
10.3.2 for any matter which it would be illegal for the Company to exclude or attempt to exclude its liability; or

10.3.3 for fraud or fraudulent misrepresentation.

10.4 Subject to condition 10.2 and condition 10.3:

10.4.1 the Company's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of a Contract shall be limited to the Purchase Price; and

10.4.2 the Company shall not be liable to the Customer for any loss or deferment of profit, loss of revenue, loss of use, business interruption, loss of contract, loss or reputation, credit or goodwill, loss of opportunity, or (except where specifically provided to the contrary elsewhere in this Contract) costs resulting from non-operation or increased expense of construction, operation or maintenance, cost of finance and cost of purchased or replacement equipment or systems howsoever caused, whether by negligence, breach of duty, or any other reason hereto.

11 TERMINATION

11.1 Without prejudice to any other rights or remedies which the Company may have, the Company may terminate the Contract without liability to the Customer immediately on giving notice to the Customer if:

11.1.1 the Customer commits a material breach of any of the terms of the Contract and (if such a breach is remediable) fails to remedy that breach within 30 days of the Customer being notified in writing of the breach;

11.1.2 an order is made or a resolution is passed for the winding up of the Customer, or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order of the Customer;

11.1.3 an order is made for the appointment of an administrator to manage the affairs, business and property of the Customer, or documents are filed with a court of competent jurisdiction for the appointment of any administrator of the Customer, or notice of intention to appoint an administrator is given by the Customer or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986);

11.1.4 a receiver is appointed of any of the Customer's assets or undertaking, or circumstances arise which entitle a court of competent jurisdiction or a creditor to

appoint a receiver or manager of the Customer, or if any other person takes possession of or sells the Customer's assets;

11.1.5 the Customer party makes any arrangement or composition with its creditors, or makes an application to a court of competent jurisdiction for the protection of its creditors in any way;

11.1.6 the Customer ceases, or threatens to cease, to trade;

11.1.7 there is a change of control of the Customer; or

11.1.8 the Customer takes or suffers any similar or analogous action in any jurisdiction in consequence of debt.

11.2 On termination of the Contract for any reason:

11.2.1 the Customer shall immediately pay to the Company all of the Company's outstanding unpaid invoices and interest and, in respect of the Goods supplied but for which no invoice has been submitted, the Company may submit an invoice, which shall be payable immediately on receipt;

11.2.2 in respect of all unpaid debts due from the Customer the Company shall have a general lien on all Goods and property of the Customer in its possession (whether worked on or not) and shall be entitled on the expiration of fourteen days' notice in writing by the Company to the Customer to dispose of such goods or property in such manner and at such price as the Company considers proper and to apply the proceeds of sale towards such debts and shall account to the Customer for any excess of the sale price over the debts after deducting the costs to the Company of such disposal; and

11.2.3 the accrued rights of the parties as at termination and the continuation of any provision expressly stated to survive or implicitly surviving termination, shall not be affected.

12 COMMUNICATIONS

12.1 All communications between the parties about the Contract shall be in writing and delivered by hand or sent by pre-paid first class post or sent by fax or email:

12.1.1 (in case of communications to the Company) to its registered office or such changed address as shall be notified to the Customer by the Company; or

12.1.2 (in the case of the communications to the Customer) to the registered office of the addressee (if it is a company) or (in any other case) to any address of the Customer set out in any document which forms part of the Contract or such other address as shall be notified to the Company by the Customer.

12.2 Communications shall be deemed to have been received:

12.2.1 if sent by pre-paid first class post, two days (excluding Saturdays, Sundays and bank and public holidays) after posting (exclusive of the day of posting); or

12.2.2 if delivered by hand, on the day of delivery;

12.2.3 if sent by fax on a working day prior to 4.00 pm, at the time of transmission and otherwise on the next working day.

12.2.4 if sent by email, the next working day at the same time the email was sent, unless a failure notice that the e-mail address is invalid is received.

13 ASSIGNMENT

13.1 The Company may assign the Contract or any part of it to any person, firm or company.

13.2 The Customer shall not be entitled to assign the Contract or any part of it without the prior written consent of the Company.

14 FORCE MAJEURE

The Company reserves the right to defer the date of delivery or to cancel the Contract or reduce the volume of the Goods ordered by the Customer (without liability to the Customer) if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Company including, without limitation: acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, provided that, if the event in question continues for a continuous period in excess of 90 days, the Customer shall be entitled to give notice in writing to the Company to terminate the Contract.

15 GENERAL

15.1 Each right or remedy of the Company under the Contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.

15.2 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall to the extent of such illegality, invalidity, avoidance, voidability, unenforceability or unreasonableness be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

15.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.

15.4 Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Customer shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.

15.5 The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

15.6 The formation, existence, construction, performance, validity and all aspects of the Contract shall be governed by the law of England and Wales; and the parties submit to the exclusive jurisdiction of the English and Welsh courts.

15.7 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Contract or its subject matter or formation (including non-contractual disputes or claims).