

FURNITURE GROUP MANUFACTURING LTD
TERMS AND CONDITIONS FOR SALE AND/OR SUPPLY OF GOODS AND/OR SERVICES

These conditions form an integral part of every contract or agreement for the sale and/or supply of goods and/or services ("the product") by FURNITURE GROUP MANUFACTURING LIMITED ("the Company"). Unless specific alterations or deletions are expressly agreed in writing on behalf of the Company, these conditions shall apply in their entirety to all quotations made and all orders accepted on behalf of the Company.

Except as provided above, no servant or agent of the Company has any authority to vary these terms or accept other terms proposed by the Customer which are inconsistent with these conditions.

1. ORDERS

- A) All orders are accepted on the basis of these conditions of trading solely. The Company shall not be bound by and will not enter into any domestic forms of supply.

2. AVAILABILITY

- A) All orders are accepted subject to the product being available, including the materials specified.

3. QUOTATIONS

- A) The Company's quotation is an invitation to treat and is not an offer of contract. No contracts shall deem to have been effected by the acceptance of the Customer of any quotation made by the Company until the order constituted by such acceptance has been confirmed in writing by the Company in the form of an order acknowledgement or similar in which the Company has acknowledged receipt of the order.
- B) Unless otherwise agreed in writing the Company's quotation is based on all items quoted being ordered at the same time by the Customer. Should quantities on the Customer's order differ from that of the Company's quotation this may affect the Company's price.
- C) Quotations are valid for a period not longer than 90 days from the date of quotation unless otherwise agreed in writing by the Company.
- D) Quotations are subject to final detail/specification by the Customer.

4. PRICE

- A) The Company reserves the right to vary any contract price at any time to take account of:
- (i) Any increase in cost price of the products taking effect before the products are provided by the Company.
- (ii) Any alteration made in the specification upon which the contract is based.
- (iii) Any variation of the original order made at the request of the Customer.
- (iv) Any extra cost borne by the Company as a result of any government legislation, EEC regulation or the effects of devaluation, flotation of the pound or fluctuation in exchange currency rates.
- B) The Company reserves the right to alter prices within price lists at anytime.
- C) Where the Company has priced for installation, the installation price is based on one continuous, uninterrupted installation with no delays caused by the Customer or by other trades on site. The Company's installation price does not cover repeat trips/special journeys brought about by any site conditions/areas of work not being in a state to receive the products (i.e. ready to accept finished goods with all wall, floor and ceiling finishes being complete), unless otherwise agreed in writing by the Company. Full and free access to the works is required, including lift access, without hindrance from other trades. The Company reserves the right to make charge for any circumstance in which the Company is forced into additional costs on the installation.

- D) Unless otherwise agreed in writing the Company has not included for phasing or staggered deliveries and nor has it allowed provision for the removal of any existing equipment or fitted items.
- E) The Company reserves the right to make charge for any additions/omissions/alterations to an order once the order has been agreed/acknowledged by the Company, including alterations to any drawings/working drawings.

5. PAYMENT

- A) Unless otherwise agreed accounts are due and become payable not later than 30 days from the date of the Company's invoice.
- B) Invoices shall be raised following the completion of the Company's supply and should be settled in full within 30 days of the date of the Company's invoice, unless other payment terms have been agreed in writing by the Company. Please note that shortages, snags or disagreements on specification are not deemed as acceptable reasons for the delay of payment and therefore all payments not made by the due date will result in interest charges made on a day on day basis at a rate of 5% above The Bank of England base rate and the Customer will forfeit any discount applicable.
- C) Special settlement terms may be available for deposit with order/prompt payment on delivery, if agreed by the Company in writing.
- D) Unless otherwise specifically stated the purchase price is deemed to exclude Value Added Tax to the extent that such tax is properly chargeable on the supply to the Customer of the products at the standard tax rate at the time of invoice. The Customer shall pay such tax as an addition to payments otherwise due to the Company.
- E) The Customer shall not be entitled to withhold payment of an amount payable under the contract to the Company because of any claim of the Customer in respect of any alleged breach of the contract, or of any other contract.
- F) The Company will not accept any discounts/deductions from the Company's invoice unless otherwise agreed in writing by the Company.
- G) The Company will not accept any retention of monies on a contract unless otherwise agreed in writing by the Company.
- H) The Company reserves the right to delay, suspend or cancel deliveries and/or installation in the event of delayed/late payments on any continuation of the project where monies remain outstanding or on any other project with the same Customer.
- I) Should the scheduled delivery/collection/installation date be delayed by the Customer or should the Company be prevented from completing an installation by any reason beyond the Company's reasonable control the Company shall invoice the Customer all the works completed by the scheduled delivery/collection/installation date for payment within the Company's terms.
- J) Where a Customer's order is required to have a split collection/delivery/installation or in which the order is to be phased over a period of time the Company shall invoice the Customer each element of the supply as and when complete, for payment within the Company's terms.

6. INTEREST

- A) Interest will be payable from the due date for payment to the actual date of payment at the rate of 5% above The Bank of England base rate on any part of the invoice/account remaining unpaid after the due date.

7. MANUFACTURE/SUPPLY AND DELIVERY/INSTALLATION

- A) Once an order has been acknowledged/accepted by the Company, the Company shall programme the manufacture of the order to fall in line with its production schedule.
- B) Cancellations or revisions to orders, which have commenced manufacture will result in a cancellation charge equal to the cancelled or revised unit(s).
- C) Where a specific material/finish has been specified by the Customer to be used on the product it is the responsibility of the Customer to ensure this material/finish is suitable for the purpose for which it is to be used and the emphasis is not on the Company to highlight the suitability of such material/finish specified and the Company will not accept any liability for the durability or suitability of the material/finish.
- D) The Company shall not be liable for the effectiveness of a construction/fixing method used at the specific request of the Customer.
- E) Any dates/lead times quoted for the supply or delivery of products are approximate only and the Company shall not be liable for any delay in supply of the products howsoever caused. Time for supply or delivery shall not be of the essence unless previously agreed by the Company in writing.
- F) Delivery of the goods shall be made by the Company delivering the products to such a place for delivery as is agreed by the Company or, if agreed by the Company, by the Customer collecting the products at the Company's premises at any time after the Company has notified the Customer that the products are ready for collection.
- G) The goods in transit shall be protected by means of bubble wrap and heavy duty polythene or a combination of both, both of which have been found to be satisfactory for all normal abuse. The provision of this protection shall therefore be deemed to be satisfactory.
- H) Claims for shortages/damages on a collection/delivery/installation will not be entertained unless noted on the delivery ticket and confirmed in writing within three days of collection/delivery/installation.
- I) If deliveries are delayed due to factors outside the control of the Company then irrespective of any terms contained within the form of the main contract, payment for materials stored off site, storage costs and any other attendant costs shall be made to the Company by the Customer. The amount payable shall be to the full value of any application made by the Company.
- J) Where the products are to be supplied over a period of time then each supply shall constitute a separate contract and failure by the Company to supply any one or more of the products in accordance with these conditions or any claim by the Customer in respect of any one or more products shall not entitle the Customer to treat the contract as a whole as repudiated.
- K) If the Company fails to supply the products for any reason other than any cause beyond the Company's reasonable control or the Customer's fault, and the Company is accordingly liable to the Customer, the Company's liability shall be limited in excess (if any) of the cost to the Customer (in cheapest available market) of similar products to replace those not supplied over the prices of the products.
- L) The Company will not accept any costs/deductions by the Customer whatsoever for collections/deliveries/installations made outside the scheduled date(s) unless otherwise agreed in writing. This includes delays brought about by adverse weather conditions and breakdowns.
- M) The Company will not accept any liquidated or ascertained damages whatsoever.
- N) If delivery of the product is to be made to a site the Company will not accept responsibility for any loss or damage once delivered and it is the responsibility of the Customer to ensure the product is adequately protected and stored safely.
- O) Unless notified of the requirement at the quotation stage the Company will not have included for the cost of protecting the furniture after installation. If, because of the status of the project at the time of the installation this provision is required then a quotation must be provided by the Company and agreed by the Customer before the

works can be completed. No warranties can be accepted regarding the overall effectiveness of the protection and no claims for damages will be accepted.

- P) If, following our installation, minor making good to paintwork/decoration is required, the Company will not accept any costs for such work unless noted on the installation ticket and confirmed in writing by the Company.
- Q) All products will be agreed as fit for purpose before commencement of any manufacture/supply and therefore no claims under this heading will be accepted following installation.

8. RISK AND TITLE

- A) It is a condition of the contract that the property in all the products delivered by the Company to the Customer shall remain vested in the Company until the Company has received in cash or clear funds payment in full for the product delivered and all products agreed to be sold by the Company to the Customer for which payment is then due irrespective of their incorporation into the works.
- B) Until payment due under all contracts between the Customer and the Company has been made in full the Customer shall hold the produce upon trust for the Company.
- C) Until such time as the property in the products passes to the Customer, the Customer shall hold the products as the Company's fiduciary agent and bailee and shall keep the products separate from those of the Customer and third parties and properly stored, protected and insured and identified as the Company's property.
- D) Notwithstanding that the property in all products to be delivered to the Customer by the Company shall remain vested in the Company until the Company has received payment in full, the risk of damage to or loss of all or any such products to be delivered to the Customer forthwith upon delivery or deemed delivery thereof the Customer and as from such date of delivery or deemed delivery to the Customer shall be liable to pay to the Company the contract prices for such products whether or not the same are damaged or lost prior to the dates that the property therein shall pass to the Customer.
- E) If either:
 - (i) The Customer fails to make payment in full of all sums due hereunder by the payment date, or
 - (ii) Prior to the payment date, the Customer convenes a meeting of its creditors, or a proposal is made for a voluntary arrangement within part 1 of the insolvency act 1986, or a proposal for any other composition, scheme or arrangement with (or assignment for benefit of) the Customer's creditors, or if the Customer is unable to pay its debts within the meaning of section 123 of the insolvency act 1986, or if the trustee, receiver, administrative receiver or similar officer is appointed in respect of all or any part or the business of assets of the Customer, or if a meeting is convened for the purpose of considering a resolution or other steps are taken for the winding up of the Customer, or for the making of an administration order (otherwise than for the purpose of an amalgamation or reconstruction), then the Company (without prejudice) to any other legal remedies it may have, at any time thereafter be entitled to enter upon the Customer's premises (without notice to the Customer) and remove the products and the Customer hereby grants an irrevocable licence to the Company and/or its agent to enter upon its premises for that purpose.

9. WARRANTY AND LIMITATION OF LIABILITY

- A) Save as is specifically set out herein the Company shall have no liability whatsoever (howsoever arising) in relation to any loss suffered by the Customer or any third party arising from the supply of the products (however caused).
- B) In the event of the Company being shown to have been negligent in the supply or installation of the products its liability for death or personal injury of any person caused by such negligence shall be unlimited.
- C) The Company does not warrant that the products are without error and the Customer will not be entitled to refuse to pay any part of the contract price by reason of an error or omission in the products or for any loss or damage of any kind whatsoever which the Customer may suffer as a result thereof unless the same is due to the negligence of the

Company in which event the Company's liability to the Customer for all claims arising from the Company's said negligence shall not exceed the contract price.

- D) The employees of the Company are not authorised to make oral representations as to the quality or fitness of any particular purpose of any products. If any representation is made or an opinion is expressed orally which materially affects the Customer's decision to place an order for the products, the Customer should ensure that such details are confirmed in writing by a duly authorised officer or employee of the Company so as to form a part of the contract; no liability can otherwise be accepted.
- E) The Company shall not be liable to the Customer or be deemed to be in breach of contract, by reason of any delay in performing or any failure to perform, any of the Company's obligations in relation to the products, if the delay or failure was due to any cause beyond the Company's reasonable control.
- F) All products are covered by a 5-year warranty/guarantee which covers manufacture fault. This warranty/guarantee does not cover general wear and tear and/or malicious damage.
- G) If the Company is requested by the Customer to carry out a repair/replacement to the product under guarantee and this repair/replacement is found to be that not covered by the guarantee then the Company may charge for this repair/replacement accordingly.

10. DESCRIPTIONS AND ILLUSTRATIONS

- A) All descriptions and illustrations contained in any price lists, advertisements and similar literature of the Company are intended merely to present a general idea of the products described therein and none of these descriptions and illustrations shall form part of the contract.
- B) The company may alter the construction/fixing of a product from that shown in any drawing/working drawing if the Company feels it necessary to do so and without affecting the overall appearance of the product without further notice to the Customer.

11. WAIVER

- A) The rights of the Company shall be prejudiced or restricted by any indulgence or forbearance extended by the Company to the Customer and no waiver by the Company in respect of any breach shall operate as a waiver in respect of any subsequent breach.

12. SUSPENSION OR CANCELLATION OF DELIVERIES AND LIEN

- A) If the Customer shall fail to pay to the Company on the due date any sum payable under the contract, or any other contract with the Company or make default in or commit a breach of the contract or any other of the Customer's obligations to the Company, or shall have a receiving order made against them or become bankrupt or enter into any agreement or composition with his/her creditors or being an incorporated company shall have a receiver appointed or pass a resolution for winding up or have an order of the court made against it to any such effect, the Company shall be entitled, without prejudice to its rights and remedies to a general lien on all vehicles and goods of the Customer in the Company's possession for the unpaid price of such products supplied to the Customer by the Company under any such contract.
- B) After acceptance by the Company an order may not be cancelled or varied by the Customer without written agreement between the parties. The Customer shall be liable to indemnify the Company against any loss sustained by the Company resulting from such cancellation or variation.

13. ASSIGNMENT AND SUB-CONTRACTING

- A) This agreement shall not be assignable by either party.
- B) The Company shall have the right to sub-contract any of its duties or obligations under this agreement.

14. NOTICES

- A) Any notices given under the contract shall be in writing and shall be

sent by registered post, or the recorded delivery service, addressed in the case of a notice to the Company, to the Company's registered office, and in the case of a notice to the Customer or its representative or agent shown in the contract.

- B) Any notice sent by post shall be deemed conclusively to have been served:
 - (i) In the case of a notice sent to an address inside the United Kingdom on the day after the same shall have been posted, and
 - (ii) In the case of a notice sent to an address outside the United Kingdom after the normal postal delivery period and in all such cases, proof of posting shall be sufficient notice of service.

15. JURISDICTION

- A) These conditions shall be governed by and construed in all respects in accordance with English Law.