

H.K. WENTWORTH LIMITED
(Incorporating Electrolube, AF and Eurochemi)

General Conditions of Purchase.

Definitions.

1. The term Buyer shall mean the person, firm or company so named in the Purchase Order.
2. The term Seller shall mean the person, firm or company to whom the Purchase Order is issued.
3. The word Goods includes all goods covered by the Purchase Order whether raw materials, processed materials or fabricated products.
4. The word Packages includes bags, cases, carboys, cylinders, drums, pallets, tank wagons and other containers.
5. The term Purchase Order shall mean Buyer's Purchase Order which specifies that these conditions apply to it.
6. The Contract shall mean the contract between Buyer and Seller consisting of the Purchase Order, these conditions and any other documents for parts there of specified on the Purchase Order. Should there be any inconsistency between the documents comprising the contract they shall have precedence in the order here in listed.

Quality and fitness for purpose.

The Goods shall be of merchantable quality and free from defects in material or workmanship. If the purpose for which the Goods are required is made known to the Seller expressly or by implication the Goods shall be fit for that purpose. The Goods shall conform to the specifications, drawings, descriptions and samples contained or related to in the Contract. In the absence of a specification or sample, all goods supplied shall be within the normal limits of industrial quality.

Delivery date.

The date of delivery of the Goods shall be that specified in the Purchase Order unless agreed otherwise between Buyer and Seller. Seller shall furnish such programmes of manufacture and delivery as Buyer may reasonably require and seller shall give notice to Buyer as soon as practical if such programmes are or are likely to be delayed. Buyer has the right to instruct Seller to take such action as is required to bring the Contract to completion.

Incorrect delivery.

All goods must be delivered at the point specified in the Purchase Order. If Goods are incorrectly delivered the Seller will be held responsible for any additional expense incurred in delivering them to their correct destination.

Passing of property and risk to buyer.

The property and risk in the Goods shall remain in Seller until they are delivered at the point specified in the Purchase Order.

Price and payment.

- 6.1 The price of the Goods and/or Services shall be stated in the Purchase Order. The price shall be inclusive of all relevant packaging, packing, labelling, insurance, delivery, installation costs and all other costs incurred by the Supplier in relation to the Goods and their delivery unless otherwise specified in the Purchase Order.
- 6.2 The Purchase Order shall specify the time when invoices shall become due, and the manner in which invoices shall be submitted. Unless otherwise stated in the Purchase Order, payment will be made 60 days from the end of month of a properly prepared invoice. Value Added tax, where applicable, shall be shown separately on all invoices as a strictly nett extra charge.
- 6.3 The Supplier may only invoice the Customer on or after delivery of the Goods or completion of the performance of the Services and invoices submitted early shall be deemed received on the date of delivery of the Goods or date of completion of the performance of the Services. Invoices shall be in such form as the Customer specifies from time to time and shall be addressed to the Accounts Department at the address for the Customer set out in these Conditions.

Loss or damage in transit.

- 7.1 Without prejudice to the rights of the Buyer under clause 19 Buyer shall advise Seller and the Carrier (if any) in writing, otherwise then by a qualified signature on any Delivery Note, of any loss or damage within the following time limits.
 - (a) Partial loss, damage or non-delivery of any separate part of a consignment shall be advised within 7 days of date of delivery of the consignment or part consignment.
 - (b) Non-delivery of whole consignment shall be advised within 21 days of notice of despatch.
- 7.2 Seller shall make goods free of charge to Buyer any loss of or damage to or defect in the Goods, where notice is given by Buyer in compliance with this condition provided that Buyer shall not in any event claim damages in respect of loss of profits.

Acceptance

In the case of Goods delivered by Seller not conforming to the Contract whether by reason of being of quality or in a quantity measurement not stipulated or being unfit for the purpose for which they are required where such purpose has been made known in writing to Seller. Buyer shall have the right to reject such Goods within a reasonable time of their delivery and to purchase elsewhere as near as practical to the same Contract specifications and conditions as circumstances shall permit but without prejudice Buyers right of rejection. Before exercising said right to purchase elsewhere Buyer shall give Seller reasonable opportunity to replace rejected Goods with Goods which conform to this contract.

Variations.

Seller shall not alter any of the Goods, except as directed in writing by Buyer, but Buyer shall have the right from time to time during the execution of the Contract by notice in writing to direct Seller to add to or to omit, or otherwise vary the Goods. Seller shall carry out such variations and be bound by the same conditions, so far as applicable, as though the said variation were stated in this Contract.

Where Seller receives any such direction from Buyer which would occasion an amendment to the Contract price Seller shall, with all possible speed advise Buyer in writing to that effect giving the amount of any such amendment, ascertained and determined at the same level of pricing as that contained in Sellers tender. The Buyer shall confirm in writing all agreed amendments to the Contract price.

If in the opinion of Seller any such direction is likely to prevent Seller from fulfilling any of his obligations under the Contract he shall so notify Buyer and Buyer shall decide with all possible speed whether or not the same shall be carried out and shall confirm his instructions in writing and modify the said obligations to such an extent as may be justified. Until Buyer so confirms his instructions they shall be deemed not to have been given.

Patent rights.

Seller will indemnify Buyer against any claim or infringement of Letters Patent, Registered Design, Trade mark or Copyright by the use of sale of any article or material supplied by Seller to Buyer, and against all costs and damages which Buyer may incur in any action for such infringement or for which Buyer may become liable in any such action. Provided always that this indemnity shall not apply to any infringement which is due to Seller having followed any instruction furnished or given by Buyer or to the use of such article or material in a manner or for a purpose or in a foreign country not specified by or disclosed to Seller, or to any infringement which is due to the use of such article or material in association or combination with any other article or material not supplied by Seller. Provided also that this indemnity is conditional on Buyer giving to Seller the earliest

possible notice in writing of any claim being made or action threatened or brought against Buyer and on Buyer permitting Seller at Seller's own expense to conduct any litigation that may ensue and all negotiations for a settlement of the claim. Buyer on his part warrants that any instruction furnished or given by him shall not be such as will cause Seller to infringe any Letters Patent, Registered Design, Trade Mark or Copyright in the execution of the Purchase Order.

Force majeure.

Neither party shall be liable for failure to perform its obligations under the Contract if such failure results from circumstances which could not have been contemplated and which are beyond the party's reasonable control.

Assignment and sub-letting.

The Contract shall not be assigned by Seller or sub-let as whole. Seller shall not sub-let any part of the work without Buyer's written consent, which shall not be unreasonably withheld, but the restriction contained in this clause shall not apply to sub-contracts for materials, for minor details, or any part of which the makers are named in the Contract. Seller shall be responsible for all work done and goods supplied by all sub-contractors.

Copies of sub-orders.

When Buyer has consented to the placing of sub-contracts copies of each sub-order shall be sent by seller to Buyer immediately as is issued.

Progress and inspection.

Buyer's representatives shall have the right to progress and inspect all Goods at Seller's works and works of sub-contractors at all reasonable times and to reject goods that do not comply with the terms of the Contract. Seller's sub-contracts shall include this provision. Any inspection, checking, approval or acceptance given on behalf of Buyer shall not relieve Seller or his sub-contractors from any obligation under the Contract.

Buyer's rights in specifications, plans, process information etc.

Any specifications, plans, drawings, process information, patterns or designs supplied by Buyer to Seller in connection with the Contract shall remain the property of Buyer, and any information derived there from or otherwise communicated to Seller in connection with the Contract shall be kept secret and shall not, without the consent in writing of Buyer, be published or disclosed to any third party, or made use of by Seller except for the purpose of implementing the contract. Any specifications, plans, drawings, process information, patterns or designs supplied by Buyer must be returned to buyer on fulfilment of the contract.

Free-issue materials.

Where Buyer for the purposes of the Contract issues materials "free of Charge" to Seller such materials shall be and remain the property of Buyer. Seller shall maintain all such materials in good order and condition subject, in the case of tooling, patterns and the like to wear and tear. Seller shall use such materials solely in connection with the contract. Any surplus materials shall be disposed of at Buyers discretion. Waste of such materials from bad workmanship or negligence of Seller shall be made good at Sellers expense. Without prejudice to any other of the rights of the Buyer, Seller shall make available such materials whether further processed or not, to the Buyer on demand.

Hazardous goods.

- 17.1 Hazardous Goods must be marked by Seller with International Danger Symbol (s) and display the name of the material in English. Transport and other documents must include declaration of the hazard and name of the material in English. Goods must be accompanied by emergency information in English in the form written instructions, labels or markings. Seller shall observe the requirements of UK and international agreements relating to packing, labelling and carriage of hazardous goods.
- 17.2 All information held by or reasonably available to, Seller regarding any potential hazard known or believed to exist on the transport, handling, or use of the goods supplied, shall be promptly communicated to Buyer.

Packages.

- 18.1 Where Buyer has an option to return Packages and does so, Buyer will return such Packages empty in good order and condition (consigned carriage paid unless otherwise agreed) to Sellers supplying works or depot indicated by Seller and will advise Seller the date of despatch. Packages returned promptly in the manner aforesaid shall be subject to an allowance at Seller's standard rate operating at the time of delivery to Buyer.
- 18.2 Where goods are delivered by road vehicle, available empty packages may be returned by the same vehicle.
- 18.3 Where goods are delivered by tank wagons these will emptied and returned without delay.

Warranty.

Seller shall as soon as reasonably practical repair or replace all goods which are or become defective during the period of 12 months from putting into service or 18 months from delivery, whichever shall be shorter. Where such defects occur under proper usage and are due to faulty design, sellers' erroneous instructions as to use, or erroneous use data, or

inadequate or faulty materials, or workmanship or any other breach of Sellers warranties expressed or implied. Repairs and replacements shall themselves be subject to the foregoing obligations for a period of 12 months from date of delivery, reinstallation or passing of tests (if any) whichever is appropriate after repair or replacement. Seller shall further be liable in damages (if any) in respect of each Purchase Order up to the limit of the price of the goods covered by that purchase order provided that Buyer shall not, save as expressly provided herein, be liable for any other claim damages in respect of loss of profits.

The foregoing states the Sellers entire statutory liability for injury in respect of goods which are defective, other than liability stated under Clause 7 (loss or damage in transit) and Seller shall not save as expressly provided herein, be liable for any other claim in regard to defects in the goods.

Insolvency and bankruptcy

If Seller becomes insolvent or bankrupt or (being a Company) makes an arrangement with its creditors or has an administrative receiver or administrator appointed or commences to be wound up (other than for the purposes of amalgamation or reconstruction), Buyer may, without prejudice to any other of his rights terminate the Contract forthwith by notice to Seller or any person in whom the Contract may have become vested.

General conditions in the tender.

No conditions submitted or referred to by Seller when tendering shall form part of the Contract unless otherwise agreed to in writing by Buyer.

Applicable law.

This Contract shall be subject to English Law and the jurisdiction of the English High Court.