

ADVANCED LABELLING SYSTEMS LIMITED

CONDITIONS OF SALE

Goods supplied by the Seller are believed to be suitable for the purposes recommended in the Seller's trade literature issued from time to time. The Seller shall be under no liability to the Purchaser for the use of the Goods for other purposes unless the Purchaser makes such purposes known to the Seller in writing and the Seller recommends the Goods in writing therefor. All machines are sold on the understanding that Purchasers will independently determine that all products and labels which they intend to use upon any machines are suitable for that use and for the Purchasers own purposes.

1. Definitions

"the Seller" means Advanced Labelling Systems Limited.
"the Purchaser" means the person, firm or company to be supplied with the Goods by the Seller.

"Goods" means the goods, materials and/or other items to be supplied pursuant to the Contract.

"the Contract" means the contract for sale and purchase of the Goods made between the Seller and the Purchaser to whom these Conditions apply.

2. Scope

These Conditions apply to the contract and shall prevail over any inconsistent terms or conditions contained or referred to in the Purchaser's order or in correspondence or elsewhere unless specifically agreed to in writing by a Director on behalf of the Seller and any conditions or stipulations to the contrary are hereby excluded or extinguished.

3. Quotations

A quotation by the Seller does not constitute an offer and the Seller reserves the right to withdraw or amend the same at any time prior to the Seller's acceptance of the Purchaser's order.

4. Prices

The prices payable for the Goods shall (where appropriate) be the Seller's list prices therefor current at the time of despatch. The Seller shall have the right at any time to revise list and/or quoted prices to take account of increases in costs including (without limitation) costs of acquisition of any goods or materials, carriage, labour or any overheads, the increase or imposition of any tax duty or other levy and any variation in exchange rates.

5. Preliminary Work

All work produced whether experimentally or otherwise at Purchaser's request will be charged for at the Seller's current rates.

6. Expedited Delivery

Should expedited delivery or any special means of delivery be agreed and necessitate overtime of any other additional costs and expenses an additional charge may be made.

7. Terms of Payment

In the absence of any written agreement to the contrary, payment of invoices shall be made without any deduction or set-off in cash sterling, so as to be received by the Seller within 30 days of the date thereof, interest shall be payable on overdue accounts at the rate of 2% per month to run from the due date for payment thereof, until receipt by the Seller of the full amount, whether or not after judgement.

8. Delivery

8.1 Time not being of the essence of the Contract delivery dates mentioned in any quotation or acceptance form or elsewhere are approximate only and not of any contractual effect. The seller shall not be under any liability to the Purchaser in respect of any delay in delivery howsoever arising. If delivery shall not have taken place within a reasonable time the Seller's liability shall be limited to the value of the Goods specified in the Seller's quotation.

8.2 In the event of the Purchaser returning or failing to accept any delivery of the Goods in accordance with the Contract the Seller shall be entitled at his option either to delivery and invoice the Purchaser for the balance of Goods then remaining undelivered or to suspend or cancel further deliveries under the Contract. The Seller shall be entitled to store at the risk of the Purchaser any Goods which the Purchaser refuses or fails to accept and the Purchaser shall in addition to the invoice price pay all costs of such storage and any additional costs of carriage incurred as a result of such refusal or failure.

8.3 The Goods shall unless delivered by the Seller's own transport or by a carrier on behalf of the Seller be deemed to have been delivered and the risk therein to have passed to the Purchaser upon their transfer to the carrier named by the Purchaser or (in the case of delivery "ex works") upon the Seller notifying the Purchaser that the Goods are available for collection.

8.4 Where the Goods are delivered by the Seller's own transport or by a carrier on behalf of the Seller the risk therein shall pass to the Purchaser upon delivery. The Seller shall advise the Purchaser of the scheduled date of despatch from the Seller's works and unless the Purchaser notifies the Seller in writing within 21 days the Seller shall not be liable for any loss or damage to the Goods in transit nor for failure of the Goods to be delivered and such Goods shall be deemed to have been delivered in good order and condition.

8.5 If in the case of the Contract or any order involving more than one delivery default is made in payment on the due date the Seller shall have the right to suspend all or any further deliveries pending payment or to terminate the Contract in its entirety by notice in writing to the Purchaser.

9. Title

9.1 Title to the Goods shall only pass to the Purchaser upon payment in full of the price therefor together with any and all other sums owing and/or due to the Seller of whatsoever nature and whether under the Contract or otherwise in any case where the Goods are or are capable of becoming the subject of any industrial or intellectual property rights of any third party the Seller warrants that it shall transfer to the Purchaser only such title as it may have to the Goods.

9.2 The Seller reserves the right to re-possess any of the Goods in respect of which payment is overdue and thereafter to re-sell the same and for this purpose the Purchaser hereby grants an irrevocable right and licence to the Seller's servants and agents to enter upon all and any of the premises with or without vehicles during normal business hours. This right shall continue to subsist notwithstanding the termination of the Contract through the happening of any of the events specified in Condition 15 or otherwise, and without prejudice to any accrued rights of the Seller thereunder.

10. Illegal Matter

10.1 The Seller shall not be required to print any matter which in its opinion is or may be of an illegal, immoral or libellous nature.

10.2 The Purchaser shall indemnify and keep indemnified the Seller against all claims, costs, damages and expenses incurred by or for which the Seller may become liable as a direct or indirect result of the carrying out of any work required to be done on or to the Goods in accordance with the requirements or specifications of the Purchaser involving the printing of any illegal, immoral or libellous matter or any infringement or alleged infringement of any intellectual or industrial property rights vested in any third party.

11. Warranty

11.1 The Seller warrants that any of the Goods supplied hereunder will for the period of 24 months following the date of delivery remain free from defects in material and workmanship under normal use and service and will conform to the Seller's applicable standard written specification or, if appropriate, to any written specifications accepted in writing by the Seller. The Seller's sole obligation hereunder shall be limited to at the Seller's option either crediting the Purchaser with the Purchase price of, or replacing the Goods or any part or parts thereof provided that (i) written notice of non-conformance hereunder is received by the Seller no later than 10 days after the expiry of the said warranty period of 24 months and (ii) after the Seller's written authorisation the Goods in question are returned to the Seller's shipping location freight charges prepaid and (iii) after examination the Goods in question are disclosed to the Seller's satisfaction to be non-conforming. Any such replacement shall not extend the period within which such warranty can be asserted. This warranty shall not apply to Goods which the Seller determines have, whether by the Purchaser or any other person, been subjected to operating and/or environmental conditions in excess of the maximum values therefor in the applicable specifications or otherwise have been subject to misuse neglect, improper installation or damage or which have been in any way repaired, serviced, altered, modified or otherwise interfered with by any person other than the Seller's own authorised personnel. This warranty may be asserted by the Purchaser only and not by the Purchaser's customers or users of the Purchaser's products.

11.2 In no event will the Seller be liable hereunder for any incidental or consequential loss, damage or injury.

11.3 Subject to the foregoing all conditions, warranties and representations express or implied by status law or otherwise in relation to the Goods supplied and/or services provided are hereby excluded. Furthermore the Seller shall be under no liability to the Purchaser for any loss or damage or injury direct or indirect resulting from defective material, faulty workmanship or otherwise howsoever arising out of the contract and whether or not caused by the negligence of the Seller, his servants or agents.

12. Acceptance

The Purchaser shall be deemed to have accepted the Goods at the end of the period of 10 days following the date of installation by the Seller's personnel unless within the said period the Purchaser shall have notified the Seller of any defect in the Goods. Where the Purchaser gives notice of any such defects the Seller shall remedy the same and thereafter the Purchaser shall be deemed to have accepted the Goods.

13. Purchaser's Property and Materials Supplied

13.1 The Purchaser's property and all materials and equipment supplied to the Seller by or on behalf of the Purchaser will be held at the Purchaser's risk.

13.2 Where materials or equipment are supplied by the Purchaser the Seller shall be under no liability to the Purchaser for any loss damage or injury direct or indirect in relation to the Goods supplied and/or services provided resulting from defects in or unsuitability of such materials or equipment.

14. Force Majeure

14.1 The Seller shall not be liable to the Purchaser for any loss or damage which may be suffered by the Purchaser as a direct or indirect result of the Seller being prevented, hindered or delayed in the performance of its obligations under the Contract by reason of any force majeure circumstances.

14.2 In this Condition "force majeure circumstances" shall mean any Act of God, war, riot, strike, lock-out, trade dispute or labour disturbance, accident, breakdown of plant or machinery, fire, flood, drought, exercise of Government Authority, legislation, difficulty in obtaining workmen materials or transport or other circumstances whatsoever outside the control of the Seller affecting the provision of the Goods and services hereunder or of materials therefor by the Seller's usual source of supply or the manufacture of the Goods by the Seller's normal means or the delivery of the Goods by the Seller's normal route of means of delivery.

15. Termination

If the Purchaser enters into a deed of arrangement or commits an act of bankruptcy or compounds with his creditors or if a receiving order is made against him or (being a company) it shall pass a resolution or the Court shall make an order that the Purchaser shall be wound up (otherwise than for the purposes of amalgamation or reconstruction) or if a receiver shall be appointed of any of the assets or undertaking of the Purchaser or if the circumstances shall arise which entitle the Court or a creditor to appoint a receiver or manager or which entitle the Court to make a winding up order or if the Purchaser takes or suffers any similar action in consequence of debt or commits any breach of any part of the Contract the Seller may stop any Goods in transit and suspend further deliveries and by notice in writing to the Purchaser may forthwith determine the Contract without prejudice to the provisions of Condition 9.2 hereof and to any existing claim.

16. Waiver

The failure on the part of either party to the Contract to exercise or enforce any rights conferred by the Contract shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.

17. Notices

Any notice required to be given hereunder in writing shall be deemed to have been duly given if sent by pre-paid first class post, telex or telegraph addressed to the party concerned at its principal place of business or last known address.

18. Headings

Headings to any of these conditions are included to facilitate reference only and shall not affect the construction hereof.

19. Governing Law

The Contract shall be governed by and construed and interpreted in accordance with the laws of England and for the purpose of settlement of any disputes arising out of or in connection with the Contract the parties hereby submit themselves to the jurisdiction of the English Courts.