

THE BUYER'S ATTENTION IS DRAWN IN PARTICULAR TO THE PROVISIONS OF CLAUSES 8 AND 9 WHICH LIMIT THE LIABILITY OF THE SELLER AND REQUIRE THE BUYER TO GIVE AN INDEMNITY TO THE SELLER FOR THE COSTS OF BREACHES OF THESE TERMS.

## 1. INTERPRETATION

### 1.1 In these Terms:

Buyer: means the person who accepts the Seller's Written quotation for the sale of the Goods or whose Written order for the Goods is accepted by the Seller;  
Goods: means the goods (including any instalment of the goods or any parts for them) which the Seller is to supply in accordance with these Terms;

Seller: means Dairy Pipe Lines Limited (registered in England and Wales with registered address at Olympus Avenue, Leamington Spa, Warwickshire, CV34 6BF under number 6377539);

Contract: means the contract for the sale and purchase of the Goods;

Incoterms: means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made;

Terms: means the standard terms of sale set out in this document and (unless the context otherwise requires) includes any special terms agreed in Writing between the Buyer and the Seller;

Writing, and any similar expression, includes facsimile transmission and electronic mail but no other forms of electronic communication.

1.2 A reference in these Terms to a provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.3 The headings in these Terms are for convenience only and shall not affect their interpretation.

## 2. BASIS OF THE SALE

2.1 The Seller shall sell and the Buyer shall purchase the Goods in accordance with the Seller's Written quotation (if accepted by the Buyer), or the Buyer's Written order (if accepted by the Seller), subject in either case to these Terms, which shall govern the Contract to the exclusion of any other terms subject to which any such quotation is accepted or purported to be accepted, or any such order is made or purported to be made, by the Buyer.

2.2 No variation to these Terms shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.

2.3 The Seller's employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Seller in Writing. In entering into the Contract the Buyer acknowledges that it does not rely on any such representations which are not so confirmed, but nothing in these Terms affects the liability of either party for fraudulent misrepresentation.

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

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

## 3. ORDERS AND SPECIFICATIONS

3.1 No order submitted by the Buyer shall be deemed to be accepted by the Seller unless and until confirmed in Writing by the Seller.

3.2 The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the Seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms.

3.3 The quantity, quality and description of the Goods and any specification for them shall be as set out in the Seller's quotation (if accepted by the Buyer) or the Buyer's order (if accepted by the Seller).

3.4 Any acceptance by the Seller of an offer by the Buyer to purchase the Goods from stock is conditional upon availability of the item or items in question at the time the Seller seeks to select the Goods for the purposes of fulfilling the Contract.

3.5 If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against all loss, damages, costs and expenses awarded against or incurred by the Seller in connection with, or paid or agreed to be paid by the Seller in settlement of, any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification.

3.6 The Seller reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable statutory or E.U. requirements or, where the Goods are to be supplied to the Seller's specification, which do not materially affect their quality or performance.

3.7 No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in Writing of the Seller and on terms that the Buyer shall indemnify the Seller 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 Seller as a result of cancellation.

3.8 Without prejudice to clause 3.7, Goods returned without the Seller's prior consent in Writing will not be accepted for credit.

## 4. PRICE OF THE GOODS

4.1 The price of the Goods shall be the Seller's price at the time the order is submitted. All prices quoted are valid for 30 days only (unless previously withdrawn) or until earlier acceptance by the Buyer, after which time they may be altered by the Seller without giving notice to the Buyer.

4.2 The Seller reserves the right, by giving Written notice to the Buyer at any time before delivery, to increase the price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the Goods which is requested by the Buyer, or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.

4.3 Except as otherwise stated in the Seller's Written quotation or in any price list of the Seller, and unless otherwise agreed in Writing between the Buyer and the Seller, all prices are given by the Seller on an ex works basis, and where the Seller agrees to deliver the Goods otherwise than at the Seller's premises, the Buyer shall be liable to pay the Seller's charges for transport and insurance. All costs quoted for delivery of Goods are given in good faith but are estimates only.

4.4 The price of the Goods and any incidental additional charges is exclusive of any applicable value added tax, which the Buyer shall be additionally liable to pay to the Seller.

## 5. TERMS OF PAYMENT

5.1 Subject to any special terms agreed in Writing between the Buyer and the Seller, the Seller may invoice the Buyer for the price of the Goods on or at any time after delivery of the Goods, unless the Goods are to be collected by the Buyer or the Buyer wrongfully fails to take delivery of the Goods, in which event the Seller shall be entitled to invoice the Buyer for the price at any time after the Seller has

notified the Buyer that the Goods are ready for collection (or as the case may be) the Seller has tendered delivery of the Goods.

5.2 The Buyer shall pay the price of the Goods (less any discount to which the Buyer is entitled, but without any other deduction) no later than 30 days from the end of the month that the invoice is issued and the Seller shall be entitled to recover the price, notwithstanding that delivery may not have taken place and the property in the Goods has not passed to the Buyer. Receipts for payment will be issued only upon request.

5.3 If the Buyer fails to make any payment on the due date then, without limiting any other right or remedy available to the Seller, the Seller may:

5.3.1 cancel the Contract or suspend any further deliveries to the Buyer;

5.3.2 appropriate any payment made by the Buyer to such of the Goods (or the goods supplied under any other contract between the Buyer and the Seller) as the Seller may think fit (notwithstanding any purported appropriation by the Buyer); and charge the Buyer interest (both before and after any judgment) on the amount unpaid, at the rate of 5 per cent per annum above

5.3.3 Lloyd's TSB Bank base rate from time to time, on a day-to-day basis from the due date until payment in full is made as well after as before judgment (a part of a month being treated as a full month for the purpose of calculating interest).

## 6. DELIVERY

6.1 Delivery of the Goods shall be made by the Buyer collecting the Goods at the Seller's premises at any time after the Seller has notified the Buyer that the Goods are ready for collection or, if some other place for delivery is agreed by the Seller, by the Seller delivering the Goods to that place. The time of delivery can be amended by an agreement with Dairy Pipe Lines Limited in writing.

6.2 Any dates quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay in delivery of the Goods however caused. The Goods may be delivered by the Seller in advance of the quoted delivery date on giving reasonable notice to the Buyer.

6.3 Where the Goods are to be delivered in instalments, each delivery shall constitute a separate Contract and failure by the Seller to deliver any one or more of the instalments in accordance with these Terms or any claim by the Buyer in respect of any one or more instalments shall not entitle the Buyer to treat the Contract as a whole as repudiated.

6.4 If the Seller fails to deliver the Goods (or any instalment) for any reason other than any cause beyond the Seller's reasonable control or the Buyer's fault, and the Seller is accordingly liable to the Buyer, the Seller's liability shall be limited to the excess (if any) of the cost to the Buyer (in the cheapest available market) of similar goods to replace those not delivered over the price of the Goods.

6.5 If the Buyer fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Buyer's reasonable control or by reason of the Seller's fault) then, without limiting any other right or remedy available to the Seller, the Seller may:

6.5.1 store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage; or

6.5.2 sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over the price under the Contract or charge the Buyer for any shortfall below the price under the Contract.

## 7. NON-DELIVERY AND DAMAGE IN TRANSIT

7.1 The quantity of any consignment of Goods as recorded by the Seller on despatch from the Seller's place of business shall be conclusive evidence of the quantity received by the Buyer on delivery unless the Buyer can provide conclusive evidence proving the contrary.

7.2 The Seller shall not be liable for any non-delivery of Goods (even if caused by the Seller's negligence) unless the Buyer gives written notice to the Seller of the non-delivery within two (2) Working Days of the date when the Goods would in the ordinary course of events have been received.

7.3 Any liability of the Seller for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or issuing a credit note (to the value of the pro rata rate for the quantity of Goods that were not delivered) against any invoice raised for such Goods.

7.4 The Buyer shall examine the Goods on delivery or on collection, as applicable, and shall notify the Seller in Writing of any shortage in delivery or damage to Goods caused during transit (where transit is the responsibility of the Seller) no later than two (2) Working days after such delivery or collection.

7.5 The Seller accepts no liability in respect of any claim by the Buyer in respect of any purported shortage of quantity of the Goods or damage to the Goods if the Buyer has not notified the Seller in accordance with the provisions of clause 7.4. Subject to the Buyer's compliance with clause 7.4, the Seller shall make good any shortage in the quantity of the Goods and, where appropriate, replace any Goods damaged in transit as soon as it is reasonably able to do so, but otherwise shall be under no liability whatsoever or howsoever arising in respect of such shortage or damage.

7.7 In particular but without limitation, no shortage in quantity of Goods shall entitle the Buyer to reject the Goods so delivered.

## 8. RISK AND PROPERTY

8.1 Risk of damage to or loss of the Goods shall pass to the Buyer:

8.1.1 in the case of Goods to be delivered at the Seller's premises, at the time when the Seller notifies the Buyer that the Goods are available for collection; or

8.1.2 in the case of Goods to be delivered otherwise than at the Seller's premises, at the time of delivery or, if the Buyer wrongfully fails to take delivery of the Goods, the time when the Seller has tendered delivery of the Goods.

8.2 Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these Terms, the property in the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the Goods and all other goods agreed to be sold by the Seller to the Buyer for which payment is then due.

8.3 Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods as the Seller's fiduciary agent and bailee, and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property, but the Buyer may resell or use the Goods in the ordinary course of its business provided that any monies so received are held separately by the Buyer as agent on behalf of the Seller to whom the Buyer has fiduciary duty to account for such monies to the extent of its indebtedness.

8.4 Until such time as the property in the Goods passes to the Buyer (and provided the Goods are still in existence and have not been resold), the Seller may at any time require the Buyer to deliver up the Goods to the Seller and, if the Buyer fails to do so, forthwith enter, or procure that a third party authorised by the Seller enters, on any premises of the Buyer or any third party where the Goods are stored and repossess the Goods and in such circumstances the Buyer shall cooperate with the Seller. The provisions of this clause 8.4 shall be subject to clause 10.3

8.5 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller,

	but if the Buyer does so all moneys owing by the Buyer to the Seller shall (without limiting any other right or remedy of the Seller) forthwith become due and payable.		
8.6	The Seller reserves the right to withhold delivery of any Goods against any Contract with the Buyer, or to cancel any Contract, if monies owing to the Seller in respect of other goods or contracts have not been paid by the Buyer on the due date and the Seller shall incur no liability to the Buyer in respect of such withholding of delivery or cancellation.		
9.	<b>WARRANTIES AND LIABILITY</b>		
9.1	The Seller warrants that (subject to the other provisions of these conditions) on delivery, and for a period of 6 months from the date of delivery, the Goods shall:		
9.1.1	be of satisfactory quality within the meaning of the Sale of Goods Act 1979;		
9.1.2	be reasonably fit for any particular purpose for which the Goods are being bought if the Buyer had made known that purpose to the Seller in writing and the Seller has confirmed in writing that it is reasonable for the Buyer to rely on the skill and judgment of the Seller.		
9.2	The Seller shall not be liable for a breach of any of the warranties in clause 9.1 unless:		
9.2.1	the Buyer gives written notice of the defect to the Seller within ten Working Days after discovery of the defect or failure, or, if the defect is as a result of damage in transit to the carrier, within two (2) Working Days of the time when the Buyer discovers or ought to have discovered the defect; and		
9.2.2	the Seller is given a reasonable opportunity after receiving the notice of examining such Goods and the Buyer (if asked to do so by the Seller) returns such Goods to the Seller's place of business at the Seller's cost for the examination to take place there.		
9.3	The Seller shall not be liable for a breach of any of the warranties in clause 9.1 if the Buyer does not refuse delivery and the Buyer does not notify the Seller accordingly, in which case the Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect or failure, and the Buyer shall be bound to pay the price as if the Goods had been delivered in accordance with the Contract.		
9.4	The Seller shall not be liable for a breach of any of the warranties in clause 9.1 if:		
9.4.1	the Buyer makes any further use of such Goods after giving such notice; or		
9.4.2	the defect arises because the Buyer failed to follow the Seller's 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		
9.4.3	the Buyer alters or repairs such Goods without the written consent of the Seller		
9.4.4	any defect in the Goods arises from any drawing, design or specification supplied by the Buyer;		
9.4.5	any defect arises from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions (whether oral or in Writing), misuse or alteration or repair of the Goods without the Seller's approval;		
9.4.6	if the total price for the Goods has not been paid by the due date for payment;		
9.5	Where the Seller is not the manufacturer of the Goods, the Seller shall endeavour to transfer to the Buyer the benefit of any warranty or guarantee given to the Seller.		
9.6	Subject to clauses 9.2 and 9.4, if any of the Goods do not conform with any of the warranties in clause 9.1, the Seller 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 Seller so requests, the Buyer shall, at the Seller's expense, return the Goods or the part of such Goods which is defective to the Seller.		
9.7	If the Seller complies with clause 9.6, it shall have no further liability for a breach of any of the warranties in clause 9.1 in respect of such Goods.		
9.8	Any Goods replaced shall belong to the Seller and any repaired or replacement Goods shall be guaranteed on these terms for the unexpired portion of the 6 month period.		
9.9	Where the Goods are sold under a consumer transaction (as defined by the Consumer Transactions (Restrictions on Statements) Order 1976) the statutory rights of the Buyer are not affected by these Terms.		
9.10	Unless stated otherwise, any Goods returned under this clause 9 are returned at the Buyer's risk and expense.		
9.11	Where defects are not covered by the Seller's warranty, the Seller reserves the right to make a charge to the Buyer at its then current rate for the replacement of the Goods.		
9.12	Except in respect of death or personal injury caused by the Seller's negligence, or liability for defective products under the Consumer Protection Act 1987, the Seller shall not be liable to the Buyer by reason of any representation (unless fraudulent), or any implied warranty, condition or other term, or any duty at common law, or under the express terms of the Contract, for loss of profit or for any indirect, special or consequential loss or damage, costs, expenses or other claims for compensation whatsoever (whether caused by the negligence of the Seller, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods (including any delay in supplying or any failure to supply the Goods in accordance with the Contract or at all) or their use or resale by the Buyer, and the entire liability of the Seller under or in connection with the Contract shall not exceed the price of the Goods.		
9.13	The Seller shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of the Seller's obligations in relation to the Goods, if the delay or failure was due to any cause beyond the Seller's reasonable control. Without limiting the foregoing, the following shall be regarded as causes beyond the Seller's reasonable control:		
9.13.1	Act of God, explosion, flood, tempest, fire or accident;		
9.13.2	war or threat of war, sabotage, riots, insurrection, civil disturbance or requisition;		
9.13.3	acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;		
9.13.4	import or export regulations or embargoes;		
9.13.5	strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);		
9.13.6	difficulties in obtaining raw materials, labour, fuel, parts or machinery;		
9.13.7	power failure or breakdown in machinery;		
9.13.8	delays by its suppliers.		
9.14	In such circumstances, delivery or collection of the Goods shall be suspended and if the Goods cannot be delivered or collected within 3 months from the due date, the Buyer may, at its option, cancel the Contract for the Goods without liability to the Company, save that where the Goods have been specially obtained for the Buyer and, in the Company's reasonable opinion, there is no		
		10.	readily available market for them, the Company shall be entitled to charge the Buyer for the costs and expenses incurred in respect of those Goods.
		10.1	<b>INDEMNITY</b>
			If a claim is made against the Buyer that the Goods infringe or that their use or resale infringes the patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person, then unless the claim arises from the use of a drawing, design or specification supplied by the Buyer, the Seller shall indemnify the Buyer against all loss, damages, costs and expenses awarded against or incurred by the Buyer in connection with the claim, or paid or agreed to be paid by the Buyer in settlement of the claim, provided that:
		10.1.1	the Seller is given full control of any proceedings or negotiations in connection with the claim;
		10.1.2	the Buyer shall give the Seller all reasonable assistance for the purposes of any such proceedings or negotiations;
		10.1.3	except pursuant to a final award, the Buyer shall not pay or accept the claim, or compromise any such proceedings without the consent of the Seller (which shall not be unreasonably withheld);
		10.1.4	the Buyer shall do nothing which would or might vitiate any policy of insurance or insurance cover which the Buyer may have in relation to such infringement, and this indemnity shall not apply to the extent that the Buyer recovers any sums under any such policy or cover (which the Buyer shall use its best endeavours to do);
		10.1.5	the Seller shall be entitled to the benefit of, and the Buyer shall accordingly account to the Seller for, all damages and costs (if any) awarded in favour of the Buyer which are payable by, or agreed with the consent of the Buyer (which consent shall not be unreasonably withheld) to be paid by, any other party in respect of any such claim; and
		10.1.6	without limiting any duty of the Buyer at common law, the Seller may require the Buyer to take such steps as the Seller may reasonably require to mitigate or reduce any such loss, damages, costs or expenses for which the Seller is liable to indemnify the Buyer under this clause.
		10.2	The provisions of clause 10.1 shall apply mutatis mutandis if a claim is made against the Seller that the manufacture, use or resale of the Goods infringes the patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person, and such claim arises from the use of a drawing, design or specification supplied by the Buyer.
		10.3	The Buyer undertakes that it will indemnify the Seller and keep the Seller fully indemnified against all actions, claims, proceedings, costs and damages (including any damages or compensation paid by the Seller on the advice of its legal advisers to compromise or settle any claim) and all legal costs or other expenses howsoever incurred arising out of any breach of the obligations of the Buyer under these Terms.
		11.	<b>INSOLVENCY OF BUYER</b>
		11.1	This clause 11 applies if:
		11.1.1	the Buyer makes a voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or
		11.1.2	an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Buyer; or
		11.1.3	the Buyer ceases, or threatens to cease, to carry on business; or
		11.1.4	the Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.
		11.2	If this clause applies then, without limiting any other right or remedy available to the Seller, the Seller may cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer, and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.
		12.	<b>EXPORT TERMS</b>
		12.1	Unless the context otherwise requires, any term or expression which is defined in or given a particular meaning by the provisions of Incoterms shall have the same meaning in these Terms, but if there is any conflict between the provisions of Incoterms and these Terms, the latter shall prevail.
		12.2	Where the Goods are supplied for export from the United Kingdom, the provisions of this clause 12 shall (subject to any special terms agreed in Writing between the Buyer and the Seller) apply notwithstanding any other provision of these Terms.
		12.3	The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties on them.
		12.4	Unless otherwise agreed in Writing between the Buyer and the Seller, the Goods shall be delivered CIF to the air or sea port of shipment and the Seller shall be under no obligation to give notice under section 32(3) of the Sale of Goods Act 1979.
		12.5	The Buyer shall be responsible for arranging for testing and inspection of the Goods at the Seller's premises before shipment. The Seller shall have no liability for any claim in respect of any defect in the Goods which would be apparent on inspection and which is made after shipment, or in respect of any damage during transit.
		12.6	Unless otherwise required by the Seller, payment of all amounts due to the Seller shall be made by irrevocable letter of credit, in a form acceptable to the Seller, to be opened by the Buyer in favour of the Seller and confirmed by a bank in the United Kingdom acceptable to the Seller within 14 days after the Contract is concluded.
		13.	<b>GENERAL</b>
		13.1	The Seller is a member of the group of companies whose holding company is Stainless Technologies Limited, and accordingly the Seller may perform any of its obligations or exercise any of its rights under the Contract by itself or through any other member of its group, provided that any act or omission of any such other member shall be deemed to be the act or omission of the Seller.
		13.2	A notice required or permitted to be given by either party to the other under these Terms shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.
		13.3	No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.
		13.4	If any provision of the Contract is held by a court or other competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of the Contract and the remainder of the provision in question shall not be affected.
		13.5	The Contract shall be governed by the laws of England, and the Buyer agrees to submit to the non-exclusive jurisdiction of the English courts.