CONDITIONS OF PURCHASE

1. Formation

(1) All contracts between Rollalong Ltd. ("the Buyer") and the Seller for the supply of goods ("the goods") by the Seller shall be on these conditions.

(2) The Buyer shall be bound by the Order only if:-

(a) it is placed on the Buyer's official Order form by either its authorised buyer ("the Company's Buyer") or a Director of the Buyer or any person authorised in writing by a Director or the Company's Buyer and

(b) if the Seller accepts the Order in writing within 14 days of the date of the Order.

(3) Acceptance by the Seller of any Order ("the Order") from the Buyer is deemed to incorporate these conditions. No terms contained in any order form or other document of the Seller and no variation from these conditions shall have any force whether as part of, or as collateral to, the Order except insofar as either the Buyer has expressly agreed to them in writing to statute requires.

2. Cancellation

The Buyer reserves the right to cancel the Order or any part of it:-

(1) If the Seller fails to make delivery of the goods in accordance with the delivery date stated on the Order

(2) If any acts or demands of the Government, or fire, strikes or other causes beyond the Buyer's control adversely affect (in the Buyer's judgement) the manufacturer or sale of the goods or

(3) If the goods supplied to the Buyer are not in accordance with drawings or samples supplied or with the agreed specification, or if they are defective in workmanship or materials or are otherwise unsatisfactory to the Buyer.

(4) If the Seller notifies the Buyer of any proposed increase in the price of the goods. Either party shall have the right to cancel the Order if the other becomes bankrupt or insolvent or makes an assignment for the benefit of creditors or (being a Company) goes into compulsory liquidation.

3. Packaging

The Buyer accepts no responsibility for the cost of packaging materials and shall be under no liability to return them to the Seller.

4. Delivery and Payment

Delivery of the goods shall be made at the time and place and in the manner stated on the Order, and time shall be of the essence. Each delivery called for under any delivery schedule (the Schedule) shall be considered a separate contract. If goods in excess of those referred to in the Schedule are delivered, the Buyer shall only be liable to pay for the quantities called for under the Schedule. The Buyer reserves the right at the Buyer's discretion either to allocate any excess towards the next delivery or to require the Seller to collect the goods. Payment for the goods shall be made by the Buyer not later than the end of the third calendar month following the month in which the goods and invoice were received by the Buyer.

5. Free issue materials

Any free issue materials supplied by the Buyer to the Seller for incorporation into the goods by the Seller must, until so incorporated, be kept separate from other materials and be clearly marked, where practicable, as the property of the Buyer. Any such materials shall be kept at the Seller's premises at the Seller's risk and any damage to or loss of such materials shall be made good by the Seller.

6. Tools and Drawings

Any jigs, dies, moulds, materials, tools or equipment forwarded to the Seller by the Buyer or paid for by the Buyer are the Buyer's property and may be withdrawn by the Buyer at any time. All such items shall:-

(a) be kept separate from other items

(b) where practicable, be clearly identified as the property of the Buyer

(c) be kept by the Seller in good condition (fair wear and tear excepted)

(d) be used only for the performance of work for the Buyer and

(e) be replaced by the Seller, if lost or damaged.

All drawings, designs. specifications and samples furnished by the Buyer to the Seller and intended to be used in connection with the Order shall:-

(a) remain the property of the Buyer

(b) be kept confidential by the Seller

(c) be used only for fulfilling orders placed by the Buyer and

(d) be returned to the Buyer immediately upon request.

7. Specification and Warranty

In the absence of drawings, specification or sample the goods must be of their respective kinds and be of first class workmanship. The goods will be subject to inspection by the Buyer on delivery and any defective goods may be rejected and held for the Seller's inspection, at the Seller's risk. The Seller will be notified, within a reasonable period after delivery, of any defects found in the goods and, unless otherwise agreed, such defects shall be remedied or replacements for the defective goods supplied at the expense of the Seller within 21 days after such notification. Any goods which under proper use are found to be defective as to material or design (other than a design furnished or specified by the Seller for which responsibility has been disclaimed in writing prior to the date of the Order) or as to workmanship, within 12 months after delivery, shall be replaced by the Seller. The Seller shall be responsible for the cost to the Buyer (whether direct or consequential) of any delay in delivery of the goods or of any defects in the goods which arise within 12 months after delivery. The Seller shall indemnify the Buyer against any claim made against the Buyer in respect of any damage caused by a defect in the goods, except to the extent that such defect was caused by mishandling or misuse of the goods whilst in the hands of the Buyer.

8. Transfer of Property

The goods shall become the property of the Buyer upon delivery to the Buyer's premises or any depot of the Buyer or of any associated or holding companies, notwithstanding that the invoice in respect of the goods is not delivered until a later date.

9. Patents

The Seller agrees to indemnify the Buyer against any claim for infringement of letters patent, registered design, trade mark or copyright by the use or sale of the goods against all costs and damages which the Buyer may incur in any action for such infringement. The Buyer undertakes to give the Seller the earliest possible notice in writing of any claim being made or action threatened in respect of any such matter.

10. Right to Inspect

The Buyer shall have the right to inspect all goods at the Seller's premises and the premises of any sub-contractors at all reasonable times and to reject the goods which do not comply with the terms of the contract. Any inspection, checking, approval or acceptance given by the Buyer shall not relieve the Seller or its sub-contractors from any obligation under the Contract.

11. Hazardous Goods

Any hazardous goods must be marked by the Seller with international danger symbols and display the name of the material in English. Transport and other documents must include a declaration of the hazard and the name of the materials in English. The goods must be accompanied by emergency information in English in the form of written instructions, labels or markings. The Seller agrees to observe the requirements of both the United Kingdom and International agreements relating to packaging, labelling and carriage of such hazardous goods.

12. Proper Law

Unless otherwise agreed in writing the Order shall in all respect be construed and operate as an English Contract and in conformity with English Law.

13. Order Acknowledgement

If for any reason the seller does not send formal notice acknowledging both price and delivery detail of the contract then the dates indicated on the purchase order will form the basis of the contract and the seller accepts the conditions within

14. Liquidated Damages for Delay

Failure to deliver the Articles or any of them within the time or times specified in the Contract will, in addition to any other remedies of the Principal against the Seller under the Contract, render the Seller liable to a deduction from the Contract Price, as and for liquidated damages and not as a penalty, of a sum to be calculated at the rate of ten per cent per week on the value of such portion only of the Articles as cannot in consequence of the delay be used effectively for each week or part of a week which may elapse between the date or dates of delivery specified in the Contract and the actual date(s) of delivery and provided further that: (a) The Seller shall have the right to present to the Buyer within 30 days of the notification that such a deduction has been or will be made a case for the remission of the whole or part of the deduction (b) the Buyer shall remit the deduction in whole or in part wherever and only to the extent to which it shall be proved to their reasonable satisfaction that the delay has arisen from causes which were unavoidable and could not have been foreseen or overcome by the Seller (including delay in the supply of materials to the Seller due to causes which could not have been foreseen or overcome by the manufacturers or vendors of such materials) provided that notice of the anticipated delay had been given by the Seller (c) the Seller shall be relieved of his liabilities under this Clause in respect of any F.O.B. contract for any period during which the goods are packed and ready for despatch but cannot be shipped because of a lack of shipping opportunities or similar cause