

## Purchasing Terms and Conditions Lenzing Fibers Grimsby Ltd.

- 1. All drawings, prints, samples and specifications prepared by the Buyer for the purposes of this contract shall remain all the Buyer's property and shall be returned to the Buyer upon completion of this contract or upon the non-acceptance of cancellation and the Supplier undertakes not to disclose such drawings, prints, samples or specification, or any part of them, to a third party without the Buyer's consent.
- 2. In the absence of specification or sample, goods or materials supplied pursuant to this contract are to be the best of their respective kinds made in the trade, and are to be the Buyer's reasonable satisfaction.
- The right is reserved to the Buyer and those authorized by the Buyer to inspect any goods or materials intended to be used for the purposes of this contract. Any such inspection shall not relieve the Supplier of its obligations hereunder nor imply acceptance by the Buyer.
- 4. If it is found that the goods or materials supplied do not conform to specification or sample, or if the quality and/or workmanship is not to the Buyer's reasonable satisfaction, the Buyer shall be entitled to return the goods or materials to the Supplier at the Supplier's risk and expense and either to cancel this contract or require the Supplier to replace such goods or materials. The Buyer also reserves the right to claim the cost incurred by the Buyer in making good defects in such goods or materials, in addition to any other right the Buyer has arising therefrom.
- 5. If the Supplier fails to complete this contract in accordance with the delivery date(s) specified herein (or within a reasonable time, if no delivery date is specified), the Buyer reserves the rights:
  - to return any goods or materials already delivered and to cancel this contract, and/or
  - to cancel this contract as regards any undelivered goods or materials, and/or
  - to remove from the premises where they are being made any goods or materials in course of preparation for the purposes of this contract and have the same completed elsewhere.

The Buyer shall pay the supplier a fair proportion of this contract price for any goods or materials retained or work in progress taken over by the Buyer if the Supplier's failure to complete its obligations hereunder is due to circumstances beyond the Supplier's reasonable control. Correspondingly, the Buyer shall be entitled to charge the Supplier all costs incurred by the Buyer in having this contract completed by others, if the failure by the Supplier was due to circumstances within the Supplier's reasonable control.

- 6. The Supplier agrees to indemnify the Buyer against claims, damages, expenses and losses arising out of: -
  - actual or alleged infringement of the rights of third parties under any letters patent, registered design, copyright, design rights, trade mark or trade name (unless such infringement necessarily arose from following a design or instructions provided by the Buyer); and
  - any action, claim cost or penalty arising from breach of any enactment or regulation of Government or other Authority in relation to the goods or materials or their packaging or labeling, as delivered to the Buyer hereunder.



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- 7. The cost of all drums, containers and other packaging shall be deemed to be included in this contract price and they will be non-chargeable and nonreturnable unless otherwise mutually agreed.
- 8. Rights and obligations under this contract are not to be assigned by either party without the consent of the other but the restriction implicit in this clause shall not apply to sub-contractors for materials and/or minor items of equipment.
- 9. The Buyer may cancel this contract by notice in writing if the Supplier becomes bankrupt or makes any arrangement with its creditors generally or being a company goes into liquidation.
- 10. The conditions set out herein are in addition to, and not in substitution for, the Buyer's statutory and other legal rights; and this contract contains the entire bargain between the Supplier and the Buyer, notwithstanding that any other terms may appear in any document issued by the Supplier.
- 11. The risk in and title to the goods or materials will pass to the Buyer on delivery and receipt at the point of delivery specified overleaf.
- 12. Where this contract involves the provision of services by the Supplier (whether or not on the Buyer's premises) or special terms relating to the supply of goods or materials appropriate supplemental conditions will be annexed. Such supplemental conditions will override any conflicting general conditions as printed thereon and will be binding on the Supplier and the Buyer accordingly.
- 13. The Buyer will endeavor to notify the Supplier of any goods or materials incorrectly delivered or damaged in transit or detained in transit, but will not be responsible for giving notice to the carrier of any such occurrence.
- 14. Where the Buyer or any other member of the Buyer's group has supplied any goods or services to the Supplier (and whether or not payment therefor is then due), the Supplier agrees with the Buyer that the Buyer may by notice in writing to the Supplier elect to pay to such member sums equivalent to all or such parts as the Buyer may elect of any sums owed by the Buyer to the Supplier where upon the Buyer shall to the extent of such payment be discharged from its obligations to make payment under this contract and the Buyer shall procure that such member shall to such extent discharge the Supplier from its obligation to pay for the goods or services supplied by such member. In this Clause 14 "Buyer's Group" means the Buyer, its holding companies and all subsidiaries thereof ("Holding Company" and "Subsidiary" having the meanings ascribed thereto in Section 736 of the Companies Act 1985), and any company in which the aforesaid together hold 50% or more in aggregate of its equity share capital (as defined in the said Section). This Clause 14 shall survive termination of the contract for whatever reason.
- 15. This contract shall be interpreted exclusively according to English law, and the Supplier hereby accepts the jurisdiction of such Courts as the Buyer may nominate (whether in England or elsewhere) for the purpose of trying any action arising out of this contract.