

Standard terms and conditions for the purchase of Goods and Services at TruckEast

1. INTERPRETATION

1.1. The definitions and rules of interpretation in this condition apply in these conditions.

“Authorised Signatory” a person authorized by the Company to sign on the Company’s behalf.

“Working Day” means 9am to 5pm on any day (not being a Saturday, Sunday, Bank or Public Holiday in England)

“Company” TruckEast Limited

“Contract” the Order and the Seller’s acceptance of the Order

“Goods” and goods agreed in the Contract to be bought by the Company from the Seller (including any part or parts of them), and where the order includes any services whether or not to be applied to those Goods the defined term shall include all services so provided by the Seller.

“Order” the Company’s written instruction to supply the Goods, including a Company Purchase Order.

“Seller” the person, firm or company who accepts the Company’s Order.

“Standards” the Company standards and any other quality standards, all national and EU standards on components, materials including COSHH and similar, together with any other standards that may be appropriate from time to time, and which may be available to the Seller upon request from the Company.

1.2. A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.

1.3. A reference to one gender includes a reference to the other gender.

1.4. Headings do not affect the interpretation of these conditions.

2. APPLICATION OF TERMS

2.1. Subject to any variation under condition 2.4, these conditions are the only conditions upon which the Company is prepared to deal with the Seller and they shall govern the Contract to the entire exclusion of all other terms or conditions.

2.2. Any quotation or other submission from the Seller shall be deemed to be an offer by the Seller to supply Goods subject to these conditions. No Agreement to supply shall be binding on the Company until the Company expressly accepts such an offer by issue of a Company Purchase Order, or other express written agreement of the Company signed by an Authorised Signatory.

2.3. No terms or conditions endorsed upon, delivered with or contained in the Seller’s quotation, acknowledgement or acceptance of order, specification or similar document shall form part of the Contract and the Seller waives any right which it otherwise might have to rely on such terms and conditions.

2.4. These conditions apply to all the Company’s purchases unless varied in accordance with clause 2.5.

2.5. These conditions shall only be varied upon the express written agreement of the Company and any such variation must be signed by an Authorised Signatory.

3. QUALITY AND DEFECTS

3.1. The Goods shall be of the best available design, of the best quality, material and workmanship, be without fault and conform in all respects with the Order specification and/or patterns and bodywork instructions, supplied or advised by the Company to the Seller, and the Seller shall ensure that it is familiar with the Standards and that the Goods conform in all respects. All packaging used in connection

with the Goods must conform in all respects with the applicable environmental legislation and standards.

3.2. The Company's rights under these conditions are in addition to the statutory conditions implied in favour of the Company by the Sale of Goods Act 1979 and the Supply of Goods Act 1982.

3.3. The Seller shall ensure that it conforms to the guidelines and best practices issued by the Organisation for Economic Co-operation and Development.

3.4. At any time prior to delivery of the Goods to the Company shall have the right to inspect and test the Goods. If the Company believes that the Goods are unlikely to conform to the Order and any applicable specifications, patterns or Standards, the Company shall inform the Seller who shall immediately take such action as is necessary to ensure conformity.

3.5. Where applicable the Supplier shall specifically be responsible for compliance with all requirements, and provision of all documentation for Whole Vehicle Type Approval applicable to the Goods. This includes their interface / connection to the Company's vehicles. This is a continuing obligation throughout delivery into service of a completed vehicle and during its service life.

3.6. The Seller shall remain fully responsible for the Goods and any such inspection or testing shall not diminish or otherwise affect the Seller's obligations under the Contract.

3.7. The Seller shall ensure that the Goods are accompanied by all instructions and technical documentation relating to the Goods in a clear and sufficiently detailed format as is necessary in order to enable the Company to install, start up, operate and maintain (including repair) the Goods.

4. WARRANTIES

4.1. Without prejudice to other remedies under the Contract, in law or otherwise, the Seller warrants the Company:

4.1.1. that the Goods delivered will retain the characteristics required by condition 3.1 of these general terms for their reasonably expected working life or if greater a period of 2 years after delivery;

4.1.2. that the Seller will bear the costs of repairs, modification or replacement of these Goods if it appears during the period referred to in condition 4.1.1 that any such repair is necessary to make them conform with the Order including the reimbursement of the Company in these cases for any direct, indirect or consequential damages, including but not limited to dealer charges, costs arising pursuant to any warranty that the Company has issued, or due to service, retrofit or product recall campaigns to which the Company has undertaken in response to any failure of the Goods in accordance with this condition 4.

4.2. The warranty shall not extend to fair wear and tear, misuse or any incorrect assembly by the Company.

5. INDEMNITY

5.1. Without prejudice to any other rights that the Company may have whether under the Contract, in law or otherwise, the Seller shall keep the Company indemnified in full against all direct, indirect or consequential liabilities (all three of which terms include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by the Company as a result of or in connection with:

(a) defective workmanship, quality or materials, defective products in breach of the Consumer Protection Act 1985 or the General Product Safety Regulations 2005;

(b) any deficiency in any applicable Whole Vehicle Type Approval process and any subsequent verification or enquiry from Scania or any appropriate authority relating to the Supplier's Goods and their contribution to the Type Approval process whether upon delivery or throughout the working life of a

vehicle.

(c)an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods; and

(d)any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by the Company's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Seller.

6. DELIVERY

6.1. The Goods shall be delivered in normal business hours, carriage paid, to the Company's place of business or to such other place of delivery as is agreed by the Company in writing prior to delivery of the Goods. The Seller shall off-load the Goods at its own risk as directed by the Company.

6.2. The date for delivery shall be specified in the Order, or if no such date is specified then delivery shall take place within 7 days of the Order. Time for delivery shall be of the essence.

6.3. The Seller shall ensure that each delivery is accompanied by a delivery note which shows, inter alia, the Order number, date of Order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.

6.4. If the Goods are not delivered on the due date then, without prejudice to any other rights which it may have, the Company reserves the right to:

6.5. cancel the Contract in whole or in part;

6.6. refuse to accept any subsequent delivery of the Goods which the Seller attempts to make;

6.7. recover from the Seller any expenditure reasonably incurred by the Company in remedying the defect or obtaining the Goods in substitution from another supplier; and

6.8. claim damages for any additional costs, loss or expense incurred by the Company including any sums due under clause 5.1 above which are in any way attributable to the Seller's failure to deliver the Goods on the due date.

6.9. If the Seller requires the Company to return any packaging material to the Seller that fact must be clearly stated on any delivery note delivered to the Company and any such packaging material shall only be returned to the Seller at the cost of the Seller.

6.10. Where the Company agrees in writing to accept delivery by instalments the Contract shall be construed as a single contract in respect of each instalment. Nevertheless failure by the Seller to deliver any one instalment shall entitle the Company at its option to treat the whole Contract as repudiated.

6.11. The Company shall not be deemed to have accepted the Goods until it has five working days to inspect them following delivery. The Company shall also have the right to reject the Goods as though they had not been accepted for five business days after any latent defect in the Goods has become apparent.

7. TITLE

7.1. Title in Goods shall pass to the Company upon delivery.

7.2. Where the Company has delivered any property, whether a vehicle, chassis or otherwise (the "Company's Property") to the Seller or to the Seller's Order to have Goods attached, installed or fitted and/or other works undertaken, beneficial ownership of the Company's Property is to remain vested in the Company at all time. This shall be whether or not the Goods have been paid for in part or not at all. The Seller is not under any circumstance permitted to sell or otherwise dispose of the Company's Property without written prior agreement by an Authorised Signatory. Irrespective of ownership the Company's Property shall be at the risk of the Seller until it has been returned to the Company.

7.3. The Company's Property must be stored separately from any other goods, and must be marked and clearly identifiable as the Company's property. This is irrespective of whether any Goods or any third party goods have been attached, fitted or installed. The Company shall have the right to enter the Seller's or other premises to check compliance.

7.4. In the event of breach by the Seller the Company or its employees or agents may enter the Seller's or other premise (using reasonable force in the case of urgency) in order to repossess and remove the Company's Property, and if necessary dismantle and remove any Goods or any third party goods.

7.5. The Company may at its sole discretion pay a proper amount in respect of Goods (being proportionate to the degree of completion of the Contract for the Goods) and ownership shall then pass to the Company.

8. RISK

8.1. Without prejudice to clause 7.1, the Goods shall remain at the risk of the Seller until delivery to the Company is complete (including off-loading and stacking).

8.2. The Seller shall keep the Company indemnified in full against any loss, damage, injury costs and expenses awarded against or incurred or paid by the Company in connection with any of the Company's Property which is under the control of the Seller.

9. INSURANCE

9.1. The Seller will at all times insure with a reputable Insurance Company against all insurable liability under the Contract, including in respect of carriage of the Goods until delivered.

9.2. The Seller will promptly notify insurers of any claim and provide all facilities, assistance, and advice required by the Company and the Seller's insurers for the purpose of contesting or dealing with any action, claims or matter arising out of the Supplier's performance of the Order.

10. PRICE

10.1. The price of the Goods shall be stated in the Order and unless otherwise agreed in writing by the Company shall be exclusive of value added tax but inclusive of all other charges.

10.2. No variation in the price or extra charges shall be accepted by the Company.

11. PAYMENT

11.1. The Company shall pay the price of the Goods within 60 days from whichever date is the later of the delivery date of the Goods to the Company or from the date of invoice. Invoices shall be raised on or after delivery and must quote the Company's relevant Purchase Order number. Time for payment shall not be of the essence of the Contract. Interest on late payments shall be 2% over Barclays' base rate.

11.2. Without prejudice to any other right or remedy, the Company reserves the right to set off any amount owing at any time from the Seller to the Company against any amount payable by the Company to the Seller under the Contract.

12. CONFIDENTIALITY

12.1. The Seller shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Seller by the Company or its agents and any other confidential information concerning the Company's

business or its products which the Seller may obtain. The Seller shall restrict disclosure of such confidential material to such of its employees, agents or sub-contractors as need to know the same for the purpose of discharging the Seller's obligations to the Company, and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality.

12.2. This obligation shall not apply to; matters in the public domain, save due a breach of this clause; disclosures under legal or regulatory obligations; matters demonstrably previously known to or independently developed by the Seller.

13. THE COMPANY'S PROPERTY AND RIGHTS

13.1. Materials, equipment, tools, dies, moulds, (copyright, design rights or any other forms of intellectual property rights in all drawings, specifications and data) supplied or made available by the Company shall at all times be and remain the exclusive property of the Company. They shall be held by the Seller in safe custody at its own risk and maintained and kept in good condition until returned to the Company. They shall not be disposed of other than in accordance with the Company's written instructions, nor shall such items be used otherwise than as authorized by the Company in writing.

13.2. Unless expressly agreed in writing all intellectual property, including but not limited to copyright, designs, software rights, brands, images and logos are and remain the sole property of the Company. The Seller shall be granted a personal non-assignable licence to use such intellectual property as is strictly necessary for the performance of the Contract.

13.3. The Seller, shall not use the name "TruckEast" or any associated model designations or brands, the Company's name, telephone and facsimile numbers, logo, website or other electronic media addresses and any derivatives of these in any advertising or publicity without the express prior written consent of the Authorised Signatory, and the Seller shall procure that none of its employees, agents, assignees or third party contractors shall breach the provision of this clause 13.3.

14. TERMINATION

14.1. The Company shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Seller written notice whereupon all work on the Contract shall be discontinued and the Company shall pay to the Seller fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.

14.2. The Company shall have the right at any time by giving notice in writing to the Seller to terminate the Contract forthwith if:

- (a) the Seller commits a material breach of any of the terms and conditions of the Contract or fails to remedy any other breach after notice to do so; or
- (b) any distress, execution or other process is levied upon any of the assets of the Seller; or
- (c) the Seller has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Seller or notice of intention to appoint an administrator is given by the Seller or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a resolution is passed or a petition presented to any court for the winding-up of the Seller or for the granting of an administration order in respect of the Seller, or any proceedings are commenced relating to the insolvency of the Seller; or

- (d) the Seller ceases or threatens to cease to carry on its business; or
- (e) the financial position of the Seller deteriorates to such an extent that in the opinion of the Company the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy.

14.3. The termination of the Contract, however arising, shall be without prejudice to the rights and duties of the Company accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.

15. REMEDIES

15.1. Without prejudice to any other right or remedy which the Company may have, if any Goods are not supplied in accordance with, or the Seller fails to comply with, any of the terms of the Contract the Company shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods have been accepted by the Company:

- (a) to rescind the Order;
- (b) to reject the Goods (in whole or in part) and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller;
- (c) at the Company's option to give the Seller the opportunity at the Seller's expense either to remedy any defect in the Goods or to supply replacement Goods and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;
- (d) to refuse to accept any further deliveries of the Goods but without any liability to the Seller;
- (e) to carry out at the Seller's reasonable expense any work necessary to make the Goods comply with the Contract; and
- (f) to claim such damages as may have been sustained in consequence of the Seller's breach or breaches of the Contract.

16. ASSIGNMENT

16.1. The Seller shall not be entitled to assign the Contract or any part of it without the prior written consent of the Company. In any legal proceedings between the Company and the Seller, the Seller shall not set the existence of a sub-contract as a defence to such proceedings and shall be responsible for all acts and omissions of its sub-contractors as though they were its own.

16.2. The Company may assign the Contract or any part of it to any person, firm or company.

17. TUPE

17.1. Unless agree in advance in writing by us no supply or change of supplier now or in the future is intended to transfer any employees from you or any third party to us or our suppliers or contractors. If any transfer takes place under TUPE or otherwise without our prior agreement you fully indemnify us from all costs, claims and other expenses of any nature arising from such transfer

18. BRIBERY ACT

18.1. You and your employees, contractors, advisors and agents will not engage in any conduct which could contravene the Bribery Act 2010, and you will maintain adequate procedures to prevent any such conduct. This shall include compliance with any Company policy published from time to time including via its website.

19. FORCE MAJEURE

19.1. The Company reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of the Goods ordered if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.

20. GENERAL

20.1. Each right or remedy of the Company under the Contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.

20.2. If any provision of the Contract is found by any competent body to be wholly or partly unenforceable it shall, to the extent of such unenforceability be deemed severable and the remainder of such provision and the Contract shall continue in full force and effect.

20.3. Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.

20.4. Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Seller shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.

20.5. The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

20.6. Irrespective of where the supply originates these terms and any performance of the Contract shall be governed by English law and the parties submit to the exclusive jurisdiction of the English courts.

These terms and conditions, including any revisions are available on our website, www.truckeast.co.uk