

CONDITIONS OF SALE

IMPORTANT - THESE CONDITIONS CONTAIN PROVISIONS WHICH DEFINE THE CONTRACTUAL OBLIGATIONS OF THE COMPANY AS TO PRICE AND PERFORMANCE. (SEE IN PARTICULAR CONDITIONS 4 AND 11) AND WHICH LIMIT THE AUTHORITY OF EMPLOYEES OR AGENTS OF THE COMPANY TO MAKE STATEMENTS AND REPRESENTATIONS (SEE CONDITION 12). BY YOUR ACCEPTANCE OF THIS QUOTATION YOU ACCEPT THESE CONDITIONS AND SUCH DEFINED CONTRACTUAL OBLIGATIONS.

1. DEFINITIONS - In these conditions "the Company" means ADCO PRODUCTS LTD; "work" means work to be carried out or produced by the Company; "Customer" means the person or firm who has requested the Company to carry out work.

2. GENERAL - (a) These Conditions shall apply to all work for the Customer and no variation or abrogation of any kind whatsoever of the same shall be effective unless it is evidenced in writing signed on behalf of the Company and such evidence contains a specific reference to these Conditions being varied or abrogated.

(b) The giving by the Customer of any delivery instructions for work or any part thereof or the acceptance by the Customer of delivery of work or any part thereof or any conduct by the Customer in confirmation of the transaction set out on the face hereof shall constitute unqualified acceptance by the Customer of these Conditions and any order placed by the Customer for work shall, notwithstanding that it may be expressed to be subject to certain terms and conditions, be deemed to have been placed subject to these Conditions and any acceptance by the Company of such an order shall be on and subject to these Conditions.

(c) All specifications, technical data and other information in the Company's catalogues, trade literature and other published matter are of a generally informative nature only and none of them form part of or are intended to form part of any contract or give rise to any independent or collateral liability of whatsoever nature on the part of the Company.

(d) The placing of an order for work following a quotation given by the Company shall not be binding on the Company unless and until accepted by the Company in writing.

(e) Subject and without prejudice to sub-clause (b) hereof the Company's quotations are given on the basis that the terms quoted will remain open for the placing of orders (subject to acceptance by the Company as aforesaid) for 30 days from the date of the quotation, but the Company reserves the right to revise the price or the cost quoted without notice under Condition 3(d) if any such event as is therein mentioned occurs which would, if taken into account, result in an increase at the date of delivery of the work in the price of the work.

(f) No contract to which these Conditions apply shall be a sale by sample unless the Company expressly agrees in writing.

(g) Customer's conditions endorsed on their orders are binding only to the extent that they do not conflict with the Company's Conditions of Sale.

3. PRICE - (a) Unless otherwise stated the price for the work in respect of contracts for delivery within the United Kingdom includes the cost of packaging and shall only be payable in £ sterling.

(b) Should the date of delivery be advanced at the Customer's request any overtime or other additional costs will be charged extra as part of the price.

(c) The Customer shall not be entitled to make any deduction from the price of work in respect of any set-off or counter claims whether arising out of this or any other contract and the provisions of Section 53(1)(a) Sale of Goods Act 1979 (Remedy for breach of Warranty) shall not apply, nor shall the Customer have any equitable rights of set-off.

(d) The price quoted shall be adjustable and in the event of any increase howsoever arising in the cost to the Company of producing and supplying the work the price quoted shall be adjusted to compensate the Company in respect of such increased costs.

(e) The Company shall be entitled to bring an action for the price whether or not the property in the work has passed.

(f) The Company shall be entitled to charge the amount of any purchase tax, value added tax or other tax levied on work supplied whether or not included on the quotation or invoice.

(g) Work carried out in addition to that specified for, or contemplated by, the quotation, whether experimentally or otherwise, at the Customer's request will be added to, and will form part of, the price and will be charged and paid for at the Company's then current rates.

(h) Author's corrections, including alterations in style, and the cost of additional proofs necessitated by such corrections will be added to, and will form part of, the price and will be charged and paid for at the Company's then current rates.

(i) Any storage charges incurred by the Company in relation to the work shall be added to, and form part of, the price and be payable by the Customer.

(j) Unless otherwise stated all prices quoted are exclusive of carriage and value added tax.

4. DELIVERY - (a) Any length of time indicated by the Company for delivery of work shall be calculated from the date on which the Company receives instructions and all necessary information to enable it to proceed on an order previously accepted by it. The obligations of the Company as to any date for delivery of the work are defined by reference to the provisions of this Condition which shall be regarded as defining such primary obligations of the Company. Any length of time or any date named or accepted by the Company for delivery is not a condition, warranty or other term of the contract to which these Conditions apply and is an estimate only. Time for delivery is accordingly not, and shall not be made by the service of notice, of the essence of the contract to which these Conditions apply and delivery of work shall be accepted when tendered (provided it is tendered within usual business hours).

(b) In the event of the carrying out of any work at any of the Company's factories being hindered, impaired or ceasing for any reason whatsoever or if the Company has reason to believe that payment of the price for any work may be delayed beyond the time stipulated in Condition 5, then and in such case the Company may notify the Customer that it is unable to fulfil the contract to which these Conditions apply and shall be entitled (but such entitlement may be not exercised unreasonably) to cancel such contract.

(c) Notwithstanding any stipulated place of delivery, delivery of the goods to a carrier for the purpose of, or in connection with, transmission to the Customer shall be deemed, for all purposes of the contract to which these conditions apply, to constitute delivery to the Customer and the Company's obligation in respect thereof satisfied. Section 32(2) and (3) Sale of Goods Act 1979 (Delivery to a carrier) shall not apply.

(d) As to quantity, quotations are conditional upon margins of 5 percent of work in one colour only and 10 percent for other work being allowed for overs or shortage, the same to be charged or deducted.

(e) Unless otherwise stated in writing, the contract to which these Conditions applies is severable (save that for the purposes of Section 11(4) Sale of Goods Act 1979 (when conditions to be treated as warranty) alone it shall not be so treated) and the Company shall be entitled to make partial deliveries of work or deliveries of work by instalments and in such event the Company shall not be obliged to deliver the work rateably over the instalments. The obligations of the Company as to the quantity of work to be delivered shall relate to the totality of the instalments delivered and not to any one instalment.

5. PAYMENT - (a) Payment by the Customer of the price shall become due upon delivery of the work or upon notification that the work has been completed whichever is the earlier and shall be made within 30 days thereof. Any settlement discount stated on an invoice of the Company will be deemed to have been withdrawn if payment is not received by the Company within the stipulated discount period.

(b) Time for payment of the price shall be of the essence of the contract to which these Conditions apply and, if the Customer shall fail to pay the price for the work when due in accordance with the provisions of this Condition, the Company shall be entitled to interest on the outstanding amount of the price at the rate 8 percent above the Base Rate of Barclays Bank PLC from time to time until the price is paid in full and in addition, but without prejudice to such right and all other rights and remedies, if the Customer shall fail to pay the price for the work when due in accordance with the provisions of this Condition, the Company may treat such contract by the Customer to purchase the work as repudiated by the Customer.

(c) Without prejudice to any other rights and remedies (including any statutory or other implied rights of lien), the Company shall in respect of all unpaid debts due from the Customer have a specific lien (including a right of sale) over the work and a general lien on all other goods and property of the Customer in its possession (whether worked on or not) and shall be entitled, on the expiration of 14 days' notice to the Customer, to dispose of such work, goods or property as it thinks fit and to apply any proceeds towards such debts; the Company shall be under no duty of care towards the Customer in exercising its rights of disposal.

6. TRANSFER OF PROPERTY - (a) The property in the work shall remain in the Company until full payment for the work has been made, or title is properly vested in some other person by the operation of any statute. Until the property passes, the Customer must keep the work free from any charge, lien or other encumbrance.

(b) The Customer (acting on its own account and not as agent of the company) may agree to re-sell any work in its possession in the ordinary course of trading notwithstanding that the property in the work has not then passed to it, provided the Company has not required its return.

7. STANDING MATERIAL - (a) Metal, film, glass and other materials used by the Company in the production of type, plates, moulds, stereotypes, electrotypes, film-setting, negatives, positives, and the like shall remain its exclusive property.

(b) Type may be distributed and lithographic, photogravure, or other work effaced immediately after the order is executed unless the Company agrees in writing and if it does so agree, rent may be charged by the Company at such rate as the Company shall decide.

8. RISK - The work is at the Customer's risk from delivery of the work to the Customer or from notification to the Customer that the work has been completed, whichever is the earlier and Section 20(2) Sale of Goods Act 1979 (risk prima facie passes with property) shall not apply.

9. ILLEGAL MATTER - (a) The Company shall not be required to print any matter which in its opinion is or may be of any illegal or defamatory nature or which may give rise to any liability on its part.

(b) Where the work is supplied in connection with a lottery, the Customer represents to the Company that the relevant lottery is either a lottery declared not to be unlawful by or a lottery which is permitted by The Lotteries and Amusements Act 1976 as amended and undertakes to the Company that all conditions required by such legislation to be observed in connection with the promotion and the conduct of the lottery will be observed. The Customer will supply the Company upon request with such evidence as the Company may reasonably require to satisfy the Company that the aforesaid representation is accurate and that the aforesaid undertaking is complied with.

(c) The Customer shall keep the Company and all its employees and agents indemnified from and against all costs, claims, demands, expenses, fines, penalties and all liability whatsoever which may be made against the Company, its employees or agents or which the Company, its employees or agents may sustain, pay or incur arising out of or in connection with any illegal or defamatory matter printed for the Customer or any infringement of copyright, trade mark, patent or design. This indemnity is given to the Company for itself and for its employees and agents and as agent for such employees and agents.

10. CUSTOMER'S PROPERTY - (a) Unless otherwise agreed the Customer's property and all materials and property supplied to the Company by or on behalf of the Customer will be held, worked on, and carried at the Customer's risk.

(b) The Customer shall indemnify the Company from and against all costs, claims, demands, expenses and all liability whatsoever which may be made against the Company or which the Company may sustain, pay or incur arising out of the use by the Company of such property or materials unless arising wholly or directly out of the negligence of the Company.

11. MATERIAL SUPPLIED BY CUSTOMER - (a) The Company may reject any paper, plates or other materials supplied or specified by the Customer which appear to it to be unsuitable. Additional cost incurred if materials are so rejected or are found to be unsuitable during production may be charged and if charged, will form part of the price.

(b) Quantities of materials supplied must be adequate to cover normal spoilage.

12. FAILURE TO SUPPLY OR SUPPLY OF WRONG OR DEFECTIVE WORK - (a) The Customer is relying on its own skill and judgement in relation to the work supplied irrespective of any knowledge which the Company or its servants or agents may possess as to the purpose for which the work is supplied.

(b) The obligations of the Company to deliver the work and as to the quality, fitness and merchantability of the work are defined by reference to the provisions of this Condition which shall be regarded as defining such primary obligations of the Company. The obligations of the Company under the contract to which these Conditions apply are limited such that in the event of any failure to deliver the work or any defect in, failure of or unsuitability for any purpose of, the work or any part thereof (whatever the degree of defect, failure or unsuitability) or in the event of any delivery by the Company or articles which are not the work requested (whether the same be due to any act, omission, negligence or willful default of the Company or its servants or agents, or to faulty design, workmanship or materials or to any other cause whatsoever) the Company shall only be obliged at its option either to refund the contract price (if already paid) or to remedy the work, and all conditions, warranties or other terms, whether expressed or implied, statutory or otherwise, inconsistent with the provisions of this Condition, are hereby expressly excluded.

(c) Notwithstanding and in addition to the foregoing, in the event that proofs of work are submitted to the Customer any errors which appear in the proofs and which are not clearly corrected by the Customer and returned to the Company in sufficient time for correction by the Company are the responsibility of the Customer.

13. AUTHORITY TO MAKE STATEMENTS AND REPRESENTATIONS - No employee or agent of the Company has any authority to make or give any statements, recommendations, information or advice (whether before or after the contract to which these Conditions apply is entered into) to the Customer or its servants or agents as to any matter relating to the work or to the contract to which these Conditions apply.

14. INDEMNITY - The Customer shall keep the Company indemnified from and against all costs, claims, demands, expenses, fines, penalties and all liability whatsoever which may be made against the Company, its employees or agents or which the Company, its employees or agents may sustain, pay or incur arising out of or in connection with the production, sale or use of the work provided that such indemnity will not cover claims for death or personal injury resulting from the Company's negligence within the meaning of that expression as defined in Section 1 of the Unfair Contract Terms Act 1977. This indemnity is given to the Company for itself and for its employees and agents and as agent for such employees and agents.

15. SECURITY - Whilst the Company will use all reasonable commercial endeavours to keep security details and codes secret the Company will not be liable for any breach of security or publication of codes or security details nor shall the Company be liable for any forgery or other copying of any matter supplied by the Company.

16. COMPATIBILITY - Responsibility for establishing the compatibility of any of the Company's products or goods with machines or other material used by the Customer in conjunction with the Company's products or goods shall rest upon the Customer, and the Company shall not be liable for any loss, whether consequential or otherwise, or for deterioration of the Company's products or goods or other material used with them, caused by incompatibility of such materials one with the other.

17. BREACH AND CUSTOMER'S INSOLVENCY - If the Customer shall default in or commit any breach of any of its obligations to the Company (whether or not such obligations are, or are expressed to be, conditions, warranties or other terms) or if any distress or execution shall be levied upon the Customer or if the Customer shall enter into any negotiations for arrangement or composition with its creditors or commit any act of bankruptcy or if any petition in bankruptcy shall be presented against it or, if the Customer is a corporate body, any resolution is proposed or petition presented to wind up the Customer or if a receiver of the Customer's assets or undertaking or any part thereof shall be appointed or if the Customer shall be deemed to be unable to pay its debts within the meaning of Section 518 of the Companies Act 1985 the Company shall be entitled to determine forthwith any contract then subsisting (whether or not these Conditions apply to such contract) without prejudice to any other claim or right the Company might make or exercise.

18. NOTICES - Any notice to be given by the Company shall be deemed to be given upon its being posted or sent by telex, cable, telegram or fax to the Customer's registered office or last known address or, in the case of an individual or firm, to its last known address.

19. ASSIGNMENT - The Customer shall not assign or transfer or purport to assign or transfer any contract to which these Conditions apply or the benefit thereof to any other person whatsoever.

20. FORCE MAJEURE - The Company shall be under no liability if it shall be unable to carry out any provision of the contract for any reason beyond its control including (without limiting the foregoing) Act of God, legislation, war, fire, flood, drought, failure of power supply, lock-out, strike or other action taken by employees in contemplation or furtherance of a dispute or owing to any inability to procure materials required for the performance of the contract. During the continuance of such a contingency the customer may be written notice to the Company elect to terminate the contract and pay for work done and materials used, but subject thereto shall otherwise accept delivery when available.

21. PROPER LAW - All contracts to which Conditions apply shall be governed by, and construed in accordance with, English law.