

Frontline Apparel (UK) Limited

Terms of Trading

Consumers and Exports

Frontline Apparel (UK) Limited

Terms of Trading

The following definitions shall apply in this Agreement:

THE BUYER is defined as the person, firm or company whose order for goods is accepted by the Seller.

THE SELLER means Frontline Apparel (UK) Limited company number 05300792

THE GOODS means the goods and products which form the subject matter of this agreement.

1 Business customers and consumers

1.1 Some of these terms apply to consumers only; some apply to business customers only. Those terms are marked as such.

1.2 All other terms apply to all customers.

1.3 You are classified as a business customer if you indicate to us that the goods supplied by us will be used in the course of your business or if you use the goods in the course of your business.

1.4 If you are not a business customer, you are a consumer. You have certain statutory rights as a consumer which are not affected by these terms. Contact your local trading standards office for more information. Words in *italic type* are legal words which clarify, rather than alter, the meaning of the relevant clause.

2 Price

2.1 The price quoted excludes VAT, duties and other carriage charges (unless otherwise stated). VAT will be charged at the rate applying at the time of delivery. Sales Tax, where applicable, shall be charged at the prevailing rate at date of invoice.

2.2 Our quotations lapse after 30 days (unless otherwise stated).

2.3 The price quoted excludes delivery (unless otherwise stated).

2.4 The Buyer shall not be entitled to discounts other than those confirmed in writing by the Seller.

2.5 **Business customers only:** unless otherwise stated, the price quoted to business customers is an illustrative estimate only and the price charged will be our price current at the time of delivery.

2.6 **Business customers only:** rates of tax and duties on the goods will be those applying at the time of delivery.

2.7 **Business customers only:** if at any time before delivery the Seller's supplier increases its price, the Seller reserves the right to increase the price of the Goods by the same percentage. Upon being notified of such increase, the Buyer has the option to either accept the increased price, or alternatively, to cancel such order without penalty; providing such cancellation is given within 7 days of the Buyer being notified of the increased price.

3 Purchase Order

3.1 All and any orders shall be made by the Buyer using only the Seller's standard Purchase Order Form. The Seller nevertheless, at its sole discretion, reserves the right to accept, and to act upon orders placed by other means with the intent and to the effect that the Buyer is thereby bound by the terms of such accepted order and, further, is bound by and is deemed to have prior knowledge of these General Terms and Conditions of Sale if the Buyer shall at any time previously have placed an order with the Seller using the Seller's Standard Purchase Order Form.

3.2 In the event of request for modification to or cancellation in part or in whole of a purchase order issued by the Buyer, such request must be sent to the Seller in writing no later than seven days after the date of taking of the order. Orders modified or cancelled after the seven day period shall be subject to a cancellation and restocking charge of 30% plus vat, where applicable, of the relevant goods, save for where clause 2.7 applies.

3.3 All goods ordered are intended exclusively for the Buyer. In order to maintain a common identity and preserve the integrity and reputation associated with the brands, the onward sale of the Goods to other stores and other locations of sale without prior written agreement of the Seller is not authorised. The Seller reserves the right to refuse to fulfil any order or terminate the agreement by notice forthwith, where the Seller knows or has reason to believe that the Buyer has: (a) sold or intends to sell the Goods to other stores or sales outlets, (b) assigned (or purported to assign) this agreement to a third party.

3.4 On receipt of a purchase order, the Seller shall, if it considers necessary, conduct a credit check on the Buyer. The Seller reserves the right to cancel the order if the credit check reveals the Buyer is unable or is unlikely to be able to pay for the Goods. Alternatively, the Seller reserves the right to request payment from the Buyer prior to the Goods being dispatched.

3.5 The Seller reserves the right in any event and with no requirement to state reason, to decline acceptance of any order.

4 Delivery

4.1 Unless whole order shipment is specifically requested by the Buyer, all ordered items will be despatched as and when they become available in the warehouse.

4.2 All delivery times quoted are estimates only.

4.3 If we fail to deliver within a reasonable time after the quoted delivery time, you may (by informing us in writing) cancel the contract, however:

4.3.1 you may not cancel if we receive your notice after the goods have been dispatched; and

4.3.2 if you cancel the contract, you can have no further claim against us under that contract.

4.4 If you accept delivery of the goods after the estimated delivery time, it will be on the basis that you have no claim against us for delay (including *indirect or consequential loss*, or increase in the price of the goods).

4.5 We may deliver the goods in instalments. Each instalment is treated as a separate contract.

4.6 We may decline to deliver if:

4.6.1 we believe that it would be unsafe, unlawful or unreasonably difficult to do so; or

4.6.2 the premises (or the access to them) are unsuitable for our vehicle.

5 Risk

5.1 The goods are at your risk from the time of delivery.

5.2 Delivery takes place either:

5.2.1 at our premises (if you are collecting them or arranging carriage); or

5.2.2 at your premises or address specified by you (if we are arranging carriage).

5.3

You must inspect the goods on delivery. If any goods are damaged or not delivered, you must write to tell us within five days of delivery or the expected delivery time. You must give us (and any carrier) a fair chance to inspect the damaged goods.

6

Payment terms

6.1

You are to pay us in cash or in cleared funds prior to delivery, unless you have an approved credit account.

6.2

Business customers only: If you have an approved credit account, payment is due no later than 30 days after the date of our invoice unless otherwise agreed in writing.

6.3

If you fail to pay us in full on the due date we may:

6.3.1 suspend or cancel future deliveries;

6.3.2 cancel any discount offered to you;

6.3.3 **Business customers only:** charge you interest at the rate set under s.6 of the Late Payment of Commercial Debts (Interest) Act 1998;

a. calculated (on a daily basis) from the date of our invoice until payment;

b. before and after any judgment (unless a court orders otherwise);

6.3.4 **Consumers only:** Charge you interest at a rate equivalent to the rate set for business debts under s.6 of the Late Payment of Commercial Debts (Interest) Act 1998;

6.3.5 claim fixed sum compensation from you under s.5A of that Act to cover our credit control overhead costs; and

6.3.6 recover (under clause 6.8) the cost of taking legal action to make you pay.

6.4

If you have an approved credit account we may withdraw it or reduce your credit limit or bring forward your due date for payment. We may take any of these actions at any time and without notice.

6.5

Business Customers only: you do not have the right to set off any money you may claim from us against anything you may owe us.

6.6

Consumers only: you may only set off money you claim from us against money you owe us with our written agreement and on such terms as we may state.

6.7

While you owe money to us, we have a right to keep any property we may hold of yours until you have paid us in full (*a lien*).

6.8

You are to indemnify us in full and hold us harmless from all expenses and liabilities we may incur (directly or indirectly and including finance costs, legal costs on a full indemnity basis and the costs of instructing a debt collection agency to recover a debt due to us if any) following any breach by you of any of your obligations under these terms.

6.9

Consumers only: clause 6.8 means that you are liable to us for losses we incur because you do not comply with these terms. We may claim those losses from you at any time and if we have to take legal action we will ask the court to make you pay our legal costs.

7 Title

Consumers only: your statutory rights are unaffected.

7.1

Business customers only: until you pay all debts you may owe us:

7.2.1 all goods supplied by us remain our property;

7.2.2 you must store them so that they are clearly identifiable as our property;

7.2.3 you must insure them (against the risks for which a prudent owner would insure them) and hold the policy on trust for us;

7.2.4 you may use those goods and sell them in the ordinary course of your business, but not if:

a. we revoke that right (by informing you in writing); or

b. you become insolvent.

7.3

Business customers only: you must inform us (in writing) immediately if you become insolvent.

7.4

Business customers only: if your right to use and sell the goods ends you must allow us to remove the goods.

7.5

Business customers only: we have your permission to enter any premises where the goods may be stored:

7.5.1 at any time, to inspect them; and

7.5.2 after your right to use and sell them has ended, to remove them, using reasonable force if necessary.

7.6

Despite our retention of title to the goods, we have the right to take legal proceedings to recover the price of goods supplied should you not pay us by the due date.

7.7

You are not our agent. You have no authority to make any contract on our behalf or in our name.

7.8

Any display stands provided by the Seller are designed for the exclusive use of the Goods ordered from the Seller. When commercial relationships terminate, such stands shall be returned to the Seller as a matter of obligation forthwith in default of which the Seller may collect the Goods at the Buyer's expense. The Goods and display stands shall be kept by the Buyer in good condition to enable them to be reused by the Seller. In the event that the Goods and display stands are not kept in a reusable condition, the Seller reserves the right to levy a reasonable charge to the Buyer in order for them to be restored to a reusable condition.

7.9

The Goods are to be displayed in accordance with the Seller's recommended layout, if any.

8 Warranties

We warrant that the goods:

8.1.1 comply with their description on our acknowledgement of order form; and

8.1.2 are free from material defect at the time of delivery (as long as you comply with clause 7.4).

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|--------|---|--------|---|
| 8.2 | Business customers only: we give no other warranty (and exclude any warranty, term or condition that would otherwise be implied) as to the quality of the goods or their fitness for any purpose. | 11.3 | Unless otherwise agreed, the goods are supplied ex works our place of business. |
| 8.3 | Consumers only: the warranty in clause 8.1 is in addition to your statutory rights and the following limitations of liability are subject to such statutory rights. | 11.4 | You are responsible for arranging inspection of the goods at our premises before shipment (unless otherwise agreed). |
| 8.4 | If you believe that we have delivered goods which are defective in material or workmanship, you must: | 11.5 | We are not liable for death or personal injury arising from the use of the goods delivered in the territory of another State (within the meaning of s.26 (3) (b) Unfair Contract Terms Act 1977). |
| 8.4.1 | inform us (in writing), with full details, within five days from the date of delivery (as per clause 5.3); and | 12 | Cancellation |
| 8.4.2 | allow us to investigate (we may need access to your premises and product samples). | 12.1 | You may not cancel the order unless we agree in writing (and clauses 4.2.2 and 12.2 then apply). |
| 8.5 | If the goods are found to be defective in material or workmanship (following our investigations), and you have complied with those conditions (in clause 7.4) in full, we will (at our option) replace the goods or refund the price. Returns shall only be accepted for the current season. Goods must be returned in accordance with the procedure set out at clause 10. | 12.2 | We may suspend or cancel the order, by written notice if: |
| 8.6 | We are not liable for any other loss or damage arising from the contract or the supply of goods or their use, even if we are negligent, including (as examples only); | 12.2.1 | you fail to pay us any money when due (under the order or otherwise); |
| 8.6.1 | direct financial loss, loss of profits or loss of use; and | 12.2.2 | you become insolvent; |
| 8.6.2 | indirect or consequential loss | 12.2.3 | you fail to honour your obligations under these terms. |
| 8.7 | Our total liability to you (from one single cause) for damage to property caused by our negligence is limited to £2,000,000. | 13 | Waiver and variations |
| 8.8 | For all other liabilities not referred to elsewhere in these terms our liability is limited in damages to the price of the goods. | 13.1 | No failure or delay by us in enforcing any of our rights shall constitute a waiver of any of our rights. No waiver shall be effective unless in writing signed by us. |
| 8.9 | Nothing in these terms restricts or limits our liability for death or personal injury resulting from negligence. | 13.2 | No variation of these terms is binding unless: |
| 8.10 | Nothing in these terms affects or limits our liability for fraudulent misrepresentation. | 13.2.1 | made (or recorded) in writing; |
| 8.11 | The warranty against hidden defects shall not be applicable if the goods concerned have suffered deterioration due to abnormal use or use contrary to the instructions for use shown on the Goods or on their labelling, packaging or any other documentation dispatched with the Goods. | 13.2.2 | signed on behalf of each party; and |
| 9 | Specification | 13.2.3 | expressly stating an intention to vary these terms. |
| 9.1 | If we prepare the goods in accordance with your specifications or instructions you must ensure that: | 13.3 | All orders that you place with us will be on these terms (or any that we may issue to replace them). By placing an order with us, you are expressly waiving any terms you may have to the extent that they are inconsistent with our terms. |
| 9.1.1 | the specifications or instructions are accurate; | 14 | Force majeure- business customers only |
| 9.1.2 | goods prepared in accordance with those specifications or instructions will be fit for the purpose for which you intend to use them; and | 14.1 | If we are unable to perform our obligations to you (or able to perform them only at unreasonable cost) because of circumstances beyond our control, we may cancel or suspend any of our obligations to you, without liability. |
| 9.1.3 | your specifications or instructions will not result in the infringement of any intellectual property rights of a third party, or in the breach of any applicable law or regulation. | 14.2 | Examples of those circumstances include act of God, accident, explosion, war, terrorism, fire, flood, transport delays, strikes and other industrial disputes and difficulty in obtaining supplies. |
| 9.2 | Business Customers only: We reserve the right; | 15 | General |
| 9.2.1 | to make any changes in the specifications of our goods that are necessary to ensure they conform to any applicable safety or statutory requirements; and | 15.1 | English law is applicable to any contract made under these terms. The English courts have non-exclusive jurisdiction. |
| 9.2.2 | to make without notice any minor modifications in our specifications we think necessary or desirable. | 15.2 | If you are more than one person, each of you is liable for all of your obligations under these terms (<i>joint and several liability</i>). |
| 10 | Return of goods | 15.3 | If any of these terms are unenforceable as drafted: |
| 10.1 | We will accept the return of goods from you only: | 15.3.1 | it will not affect the enforceability of any other of these terms; and |
| 10.1.1 | by prior arrangement (confirmed in writing), which must be covered by an authorisation voucher of return of Goods issued by the Seller's customer service department showing the reference numbers, quantity, size and colours specified by the Buyer. In the event of unauthorised return of goods, no credit note shall be issued. In such circumstances the Goods shall be returned to the Buyer by the Seller at the Buyer's cost. In the event of items missing from the authorised return of goods the credit note shall be issued in regard to the sole items received and accepted by the Seller; | 15.3.2 | if it would be enforceable if amended, it will be treated as so amended. |
| 10.1.2 | on payment of an agreed handling charge (unless the goods were defective when delivered); | 15.4 | We may treat you as insolvent if: |
| 10.1.3 | where the goods are as fit for sale on their return as they were on delivery and | 15.4.1 | you are unable to pay your debts as they fall due; or |
| 10.1.4 | On the condition that the goods are returned within 7 days from the date of authorisation, as shown on the carrier's voucher. | 15.4.2 | you (or any item of your property) becomes the subject of: |
| 10.2 | In the event of a dispute the buyer shall be required to supply the seller with proof of delivery by the buyer's carrier. | a. | any formal insolvency procedure (examples of which include receivership, liquidation, administration, voluntary arrangements (including a moratorium) or bankruptcy); |
| 11 | Export terms | b. | any application or proposal for any formal insolvency procedure; or |
| 11.1 | Clause 11 of these terms applies (except to the extent that it is inconsistent with any written agreement between us) where we supply the goods over an international border or overseas. | c. | any application, procedure or proposal overseas with similar effect or purpose. |
| 11.2 | The 'Incoterms' of the International Chamber of Commerce which are in force at the time when the contract is made apply to exports, but these terms prevail over the Incoterms to the extent that there is any inconsistency. | 15.5 | Business customers only: all brochures, catalogues and other promotional materials are to be treated as illustrative only. Their contents form no part of any contract between us and you should not rely on them in entering into any contract with us. |
| | | 15.6 | Business customers only: any notice by either of us which is to be served under these terms may be served by leaving it at or by delivering it to (by first class post or by fax) the other's registered office or principal place of business. All such notices must be signed. |
| | | 15.7 | No contract will create any right enforceable (by virtue of the Contracts (Rights of Third Parties) Act 1999) by any person not identified as the buyer or seller. |
| | | 15.8 | The only statements upon which you may rely in making the contract with us are those made in writing by someone who is (or whom you reasonably believe to be) our authorised representative and either: |
| | | 15.8.1 | contained in our estimate (or any covering letter) and not withdrawn before the contract is made; or |
| | | 15.8.2 | which expressly state that you may rely on them when entering into the contract. |
| | | 15.9 | Please note that we may transfer personal information about you to those we may appoint to administer your account or recover amounts owing. That may include, for example, passing information about you to our insurers, debt recovery agents and solicitors, if you fail to pay us. |
| | | 15.10 | You may not assign your rights. |

I/we confirm that I/we have read and accept the terms and conditions of sale detailed above. I/we understand that all orders will be placed on the above terms (or any terms later adopted by you and notified to me/us in writing.

AUTHORISED SIGNATURE OF DIRECTOR/COMPANY SECRETARY/OWNER:

NAME IN BLOCK CAPITALS:

COMPANY:

POSITION: