

**Terms and Conditions for Damasco UK Ltd herein referred to as Damasco.**

The customer's attention is drawn in particular to the provisions of clause 9.

**1. INTERPRETATION** 1.1 Definitions. In these Conditions, the following definitions apply: Business Day: a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business. Conditions: the terms and conditions set out in this document. Contract: the contract between Damasco and the Customer for the sale and purchase of the Goods in accordance with these Conditions. Customer: the person or firm who purchases the Goods from Damasco. Force Majeure Event: has the meaning given in clause 10. Goods: the goods (or any part of them) set out in the Order. Damasco: the supplier of the Goods whose office is at Hollis Road, Grantham, Lincs. NG317QH. Order: the Customer's order for the supply of Goods as set out in the Customer's purchase order form, fax, email or the Customer's written acceptance of Damasco's quotation, or any order placed verbally and confirmed in writing by Damasco. Specification: any specification for the Goods, that is agreed in writing by the Customer and Damasco. 1.2 Construction. In these Conditions, the following rules apply: (a) A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality). (b) A reference to a party includes its personal representatives, successors or permitted assigns. (c) A reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted. (d) Any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms. (e) A reference to writing or written includes faxes and e-mails.

**2. BASIS OF CONTRACT** 2.1 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. 2.2 The Order constitutes an offer by the Customer to purchase the Goods in accordance with these Conditions. The Customer is responsible for ensuring that the terms of the Order and any applicable Specification are complete and accurate. 2.3 The Order shall only be deemed to be accepted when Damasco issues a written acceptance of the Order, at which point the Contract shall come into existence. 2.4 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of which is not set out in the Contract. 2.5 Any samples, descriptive matter or advertising produced by Damasco and any illustrations contained in Damasco catalogues or brochures are produced for the sole purpose of giving an approximate idea of the Goods described in them. They shall not form part of the Contract or have any contractual force. 2.6 A quotation for the Goods given by Damasco shall not constitute an offer, and is only valid for the period as set out in the quotation.

**3. GOODS** 3.1 To the extent that the Goods are to be manufactured in accordance with a Specification supplied by the Customer, the Customer shall indemnify Damasco against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by Damasco in connection with any claim made against Damasco for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with Damasco's use of the Specification. This clause 3.1 shall survive termination of the Contract. 3.2 Damasco reserves the right to amend the Specification if required by any applicable statutory or regulatory requirements. 3.3 Damasco reserves the right to supply the Goods containing materials of equivalent or higher board grading to those quoted. 3.4 The Customer acknowledges and agrees that any description which is given or applied to the Goods: (a) is solely for purposes of reference and does not constitute or afford the basis for any express or implied undertaking that the Goods correspond with or confirm to such reference; and (b) shall not make the Contract a sale by description; and (c) is not and has not been relied on by the Customer when entering into the Contract.

**4. DELIVERY** 4.1 Damasco shall ensure that each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, all relevant Customer reference numbers and all relevant Damasco reference numbers, the type and quantity of the Goods (including the code number of the Goods where applicable). 4.2 Unless it is agreed that the Customer will collect the Goods, Damasco shall deliver the Goods to the location set out in the Order or such other location as the parties may agree (Delivery Location) at any time after Damasco notifies the Customer that the Goods are ready. 4.3 Delivery of the Goods shall be completed on the Goods' arrival at the Delivery Location. 4.4 Where the Goods are collected by the Customer, delivery shall be deemed to have taken place at the time of collection, which for the avoidance of doubt will be prior to the time that the Goods are loaded onto the Customer's vehicle. 4.5 Any dates quoted for delivery are approximate only, and the time of delivery is not of the essence. Damasco shall not be liable for any delay in delivery of the Goods that is caused by a Force Majeure Event or the Customer's failure to provide Damasco with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods. 4.6 If Damasco fails to deliver the Goods, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. Damasco shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event or the Customer's failure to provide Damasco with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods. 4.7 If the Customer fails to take or accept delivery of the Goods within five Business Days of Damasco notifying the Customer that the Goods are ready, then, except where such failure or delay is caused by a Force Majeure Event or Damasco's failure to comply with its obligations under the Contract: (a) delivery of the Goods shall be deemed to have been completed at 9.00 am on the fifth Business Day after the day on which Damasco notified the Customer that the Goods were ready; and (b) Damasco shall store the Goods until delivery takes place, and shall reserve the right to charge the Customer for all related costs and expenses (including insurance). 4.8 Where the Customer has agreed with Damasco that Damasco shall store an agreed amount of Goods at its warehouse, then unless agreed otherwise in writing by the Parties, the Goods shall be stored for a maximum period of six months which for the avoidance of doubt shall commence on the date that the Goods are deemed by Damasco to be fully manufactured and ready for sale. Immediately following this six month period, Damasco shall issue an invoice to the Customer for any Goods remaining at its warehouse and not delivered, such invoice shall become payable immediately. Within seven days of the expiration of the six month period, Damasco shall attempt to contact the Customer to agree and arrange a mutually convenient date for delivery of the Goods. In the event that Damasco is unable to agree a delivery date with this seven day period, then the Goods shall be deemed to be delivered and Damasco may resell or otherwise dispose of part or all of the Goods. 4.8 If 10 Business Days after the day on which Damasco notified the Customer that the Goods were ready for delivery the Customer has not taken or accepted delivery of them, Damasco may resell or otherwise dispose of part or all of the Goods. 4.9 Damasco may deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate Contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment. 4.10 Unless agreed in writing between the parties, the parties agree that if in respect of an Order Damasco delivers up to and including 10% more or less than the quantity of Goods ordered, the Customer shall not be entitled to reject the Order. 4.11 Notwithstanding any information as set out in the Specification, the parties agree that the dimensions of Goods supplied to the Customer under any Order may vary in accordance with industry accepted tolerances and the Customer shall not be entitled to reject such Order.

**5. QUALITY** 5.1 Where Damasco are manufacturing the Goods then Damasco warrants that on delivery the Goods shall conform in all material respects with their description and any applicable Specification. 5.2 Unless agreed otherwise in writing between the Parties, then where Damasco are not manufacturing the Goods, Damasco are unable to warrant that on delivery the Goods shall conform in all material respects with any Specification, it shall nevertheless take all reasonable steps at the time of ordering the Goods from its own suppliers to ensure that any such Goods do conform with any such Specification. 5.3 From time to time Damasco relies on specification data provided by its own suppliers of cardboard in relation to the composition of such cardboard. Damasco will take all reasonable steps to interpret this information accurately and ensure as far as it is reasonably practicable to do so, that such compositions are comparable to industry norms, but is nevertheless unable to warrant that its interpretation of any particular specification will be correct. The Customer may request a copy of such translations by submitting such request in writing to Damasco. 5.4 Subject to clause 5.5, if: (a) the Customer gives notice in writing to Damasco within ten days of delivery that some or all of the Goods do not comply with the warranty set out in clause 5.1; (b) Damasco is given a reasonable opportunity of examining such Goods; and (c) the Customer (if asked to do so by Damasco) returns such Goods to Damasco's place of business at the Customer's cost, Damasco shall, at its option, replace the defective Goods, issue a credit note or refund the price of the defective Goods in full. 5.5 Damasco shall not be liable for Goods' failure to comply with the warranty set out in clause 5.1 in any of the following events: (a) the Customer makes any further use of such Goods after giving notice in accordance with clause 5.4. (b) the defect arises because the Customer failed to follow Damasco's oral or written instructions as to the use of the Goods or (if there are none) good trade practice regarding the same; (c) the defect arises as a result of Damasco following any Specification supplied by the Customer; (d) the defect arises as a result of fair wear and tear, wilful damage, negligence, abnormal use or abnormal storage conditions; or (e) the Goods differ from their description or the Specification as a result of changes made to ensure they comply with applicable statutory or regulatory requirements. 5.6 Except as provided in this clause 5, Damasco shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1. 5.7 Except as set out in these Conditions, all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the Contract. 5.8 These Conditions shall apply to any replacement Goods supplied by Damasco.

**6. TITLE AND RISK** 6.1 The risk in the Goods shall pass to the Customer on completion of delivery. 6.2 Title to the Goods shall not pass to the Customer until Damasco has received payment in full (in cash or cleared funds) for: (a) the Goods; and (b) any other goods that Damasco has supplied to the Customer in respect of which payment has become due. 6.3 Until title to the Goods has passed to the Customer, the Customer shall: (a) hold the Goods on a fiduciary basis as Damasco's bailee; (b) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as Damasco's property; (c) not remove, deface or obscure any identifying mark or packaging on or relating to the

Goods; (d) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery; (e) notify Damasco immediately if it becomes subject to any of the events listed in clause 8.2; and (f) give Damasco such information relating to the Goods as Damasco may require from time to time, but the Customer may resell or use the Goods in the ordinary course of its business. 6.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 8.2, or Damasco reasonably believes that any such event is about to happen and notifies the Customer accordingly, then, provided that the Goods have not been resold, or irrevocably incorporated into another product, and without limiting any other right or remedy Damasco may have, Damasco may at any time require the Customer to deliver up the Goods and, if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

**7. PRICE AND PAYMENT** 7.1 The price of the Goods shall be the price set out in the Order, or, if no price is quoted, the price set out in Damasco's published price list in force as at the date of delivery. 7.2 Damasco may, by giving notice to the Customer at any time before delivery, increase the price of the Goods to reflect any increase in the cost of the Goods that is due to: (a) any factor beyond Damasco's control (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs); (b) any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, or the Specification; or (c) any delay caused by any instructions of the Customer or failure of the Customer to give Damasco adequate or accurate information or instructions. 7.3 Unless otherwise agreed in writing, the price of the Goods is inclusive of the costs and charges of packaging, insurance and transport of the Goods, which shall be invoiced to the Customer. 7.4 The price of the Goods is exclusive of amounts in respect of value added tax (VAT). The Customer shall, on receipt of a valid VAT invoice from Damasco, pay to Damasco such additional amounts in respect of VAT as are chargeable on the supply of the Goods. 7.5 Damasco may invoice the Customer for the Goods on or at any time after the completion of delivery. 7.6 Unless otherwise agreed in writing, the Customer shall pay the invoice in full and in cleared funds within 30 calendar days of the end of the month in which the invoice was sent to the Customer. Payment shall be made by cheque, credit or debit card or by direct transfer into a bank account nominated in writing by Damasco. Time of payment is of the essence. 7.7 If the Customer fails to make any payment due to Damasco under the Contract by the due date for payment (due date), then Damasco reserves the right, at its discretion, to charge the Customer interest on the overdue amount at the rate of 4% per annum above Barclays Bank base lending rate. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount. 7.8 The Customer shall pay all amounts due under the Contract in full without any deduction or withholding except as required by law and the Customer shall not be entitled to assert any credit, set-off or counterclaim against Damasco in order to justify withholding payment of any such amount in whole or in part. Damasco may at any time, without limiting any other rights or remedies it may have, set off any amount owing to it by the Customer against any amount payable by Damasco to the Customer.

**8. CUSTOMER'S INSOLVENCY OR INCAPACITY** 8.1 If the Customer becomes subject to any of the events listed in clause 8.2, or Damasco reasonably believes that the Customer is about to become subject to any of them and notifies the Customer accordingly, then, without limiting any other right or remedy available to Damasco, Damasco may cancel or suspend all further deliveries under the Contract or under any other contract between the Customer and Damasco without incurring any liability to the Customer, and all outstanding sums in respect of Goods delivered to the Customer shall become immediately due. 8.2 For the purposes of clause 8.1, the relevant events are: (a) the Customer suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply; (b) the Customer commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors; (c) (being a company) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Customer, other than for the sole purpose of a scheme for a solvent amalgamation of the Customer with one or more other companies or the solvent reconstruction of the Customer; (d) (being an individual) the Customer is the subject of a bankruptcy petition or order; (e) a creditor or encumbrancer of the Customer attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days; (f) (being a company) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Customer; (g) (being a company) a floating charge holder over the Customer's assets has become entitled to appoint or has appointed an administrative receiver; (h) a person becomes entitled to appoint a receiver over the Customer's assets or a receiver is appointed over the Customer's assets; (i) any event occurs, or proceeding is taken, with respect to the Customer in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 8.2(a) to clause 8.2(h) (inclusive); (j) the Customer suspends, threatens to suspend, ceases or threatens to cease to carry on all or substantially the whole of its business; (k) the Customer's financial position deteriorates to such an extent that in Damasco's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; and (l) (being an individual) the Customer dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his or her own affairs or becomes a patient under any mental health legislation. 8.3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

**9. LIMITATION OF LIABILITY** 9.1 Nothing in these Conditions shall limit or exclude Damasco's liability for: (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable); (b) fraud or fraudulent misrepresentation; (c) breach of the terms implied by section 12 of the Sale of Goods Act 1979; (d) defective products under the Consumer Protection Act 1987; or 9.2 Subject to clause 9.1: (a) Damasco shall not be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract (including any losses that may result from a deliberate breach of the Contract by Damasco, its employees, agents or subcontractors); and (b) Damasco's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, including losses caused by a deliberate breach of the Contract by Damasco, its employees, agents or subcontractors, shall not exceed the price paid for the Goods.

**10. FORCE MAJEURE** Neither party shall be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by a Force Majeure Event. A Force Majeure Event means any event beyond a party's reasonable control, which by its including strikes, lock-outs or other industrial disputes (whether involving its own workforce or a third party's), failure of energy sources or transport network, acts of God, war, terrorism, riot, civil commotion, interference by civil or military authorities, national or international calamity, armed conflict, malicious damage, breakdown of plant or machinery, nuclear, chemical or biological contamination, sonic boom, explosions, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, epidemics or similar events, natural disasters or extreme adverse weather conditions, or default of suppliers or subcontractors.

**11. GENERAL** 12.1 Assignment and subcontracting. (a) Damasco may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract. (b) The Customer may not assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract without the prior written consent of Damasco. 12.2 Notices. (a) Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first class post, recorded delivery, commercial courier, fax or e-mail. (b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 12.2(a); if sent by pre-paid first class post or recorded delivery, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, one Business Day after transmission. (c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action. 12.3 Severance. (a) If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected. (b) If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable. 12.4 Waiver. A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy. 12.5 Third party rights. A person who is not a party to the Contract shall not have any rights under or in connection with it. 12.6 Variation. Except as set out in these Conditions, any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by Damasco. 12.7 Governing law and jurisdiction. The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with, English law and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.