

British Salt Limited
Standard Terms and Conditions of Sale

- 1 Definitions**
- 1.1 In these Conditions (unless the context otherwise requires):
- Buyer** means the person, firm or company to whom any quotation is addressed or with whom any Contract is made;
- Contract** means the contract between the Buyer and the Seller for the sale and purchase of the Goods;
- Defects Period** means either the period specified in the Seller's product literature for the Goods concerned or the period from the date of delivery of the Goods up to and including the date upon which processing of or manufacture utilising the Goods is completed (whichever is the shorter);
- Goods** means the goods (or any instalment or part of them) to be supplied by the Seller to the Buyer pursuant to the Contract;
- Incoterms** means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made;
- Price Increase Event** means a circumstance or series of circumstances which has the impact of increasing the Seller's cost of supply of the Goods by 10% or more including without limitation as a result of the increased cost of raw materials, energy, taxation, regulation or change in law; or the adverse movement of currency exchange rates;
- Seller** means British Salt Limited and also (where the context so permits) its assigns and any sub-contractor for the said company;
- Seller's Premises** means the Seller's premises indicated on the Seller's documentation;
- Specification** means any specification of the Goods provided or agreed by the Seller.
- 2 The Contract**
- 2.1 These Conditions shall apply to the Contract to the exclusion of any other conditions contained or referred to in any order, letter, form of contract or other communication between the Buyer and the Seller whether oral or written (including any conditions the Buyer purports to apply) or which are implied by customs, practice or law and the provisions of these Conditions shall prevail.
- 2.2 No variation of these Conditions or the Contract shall be effective unless agreed in writing by the Buyer and Seller.
- 2.3 Notwithstanding that the Seller may have given a detailed quotation, no order shall be binding on the Seller unless and until it has been accepted in writing by the Seller.
- 2.4 No sample, statement, description, information, warranty, condition or recommendation contained in any catalogue, price list, advertisement or communication or made orally by any of the Seller's agents or employees shall be construed to enlarge, vary or override in any way any of these Conditions.
- 3 Price**
- 3.1 The price of the Goods shall be the price at the date when the Goods or the instalment of the Goods (as the case may be) are despatched for delivery to the Buyer and shall be exclusive of value added tax or any other applicable sales or purchase tax or duty which shall be payable by the Buyer at the appropriate rate.
- 3.2 Notwithstanding Condition 3.1 and any other agreement between the Buyer and the Seller in relation to the price of the Goods, in the event of a Price Increase Event the Seller shall be entitled to increase the price of the Goods (and the Buyer agrees to pay such increase) by such amount as is necessary to reflect the additional cost to the Seller of supply of the Goods occasioned by the Price Increase Event.
- 4 Terms of payment**
- 4.1 The Buyer shall pay for the Goods in full and cleared funds not later than the twentieth day of the month following the month of the date of the invoice. Such payment shall be made to the bank account as notified by the Seller.
- 4.2 If the Goods are despatched in instalments, the Seller shall be entitled to invoice each instalment as and when despatch thereof has been made and payment shall be due in respect of each despatched instalment notwithstanding non-delivery of other instalments.
- 4.3 Failure by the Buyer to pay any due instalment, or failure to give delivery instructions in respect of any quantity of Goods outstanding, shall cause the whole of the balance of the price to become payable.
- 4.4 The Buyer shall not be entitled to exercise any set-off, lien, restriction, condition or any other similar right or claim.
- 4.5 If the Buyer fails to make payment under the Contract on the due date for payment the Seller may, without prejudice to any other rights it may have and both before and after any judgment), charge the Buyer interest on any unpaid amount from the due date until the date of actual payment in full at the annual rate which is five (5) percentage points above the base rate of the Bank of England base lending rate from time to time in effect during such period.
- 4.6 The price of the Goods shall be payable in Pounds Sterling unless otherwise agreed by the parties in writing. All bank charges relating to or incurred in connection with the Contract shall be paid by the Buyer.
- 5 Marginal Weights**
- The Seller shall be entitled to deliver a quantity of Goods which when measured by weight or volume exceeds or is less than the quantity ordered by 10% or less. The Buyer shall not be entitled to reject the Goods or any part of them for this reason and shall pay for the actual weight or volume delivered.
- 6 Delivery**
- 6.1 The Goods will be delivered in accordance with the agreed Incoterms.
- 6.2 The Seller shall endeavour to deliver the Goods within the period given or quoted but all times dates or periods given or quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay or any loss or damage caused thereby.
- 6.3 No liability (howsoever arising) for loss of or damage to the Goods occurring prior to delivery or for any claim that any item delivered pursuant to the Contract is defective or is otherwise not in accordance with the Contract (being a defect or loss, damage or non-compliance which would be obvious upon a reasonable inspection of the Goods) or for non-delivery, will attach to the Seller unless claims to that effect are notified in writing by the Buyer to the Seller (and in the case of claims for loss, damage or non-delivery with a copy to the carrier if the Seller's own vehicles have not been used to deliver the Goods):
- (a) within seven days of delivery for loss, damage, defect or non-compliance with the Contract; or
- (b) within twenty-eight days of the date of the invoice for non-delivery where delivery takes place at a location within the European Union; or
- (c) within sixty days of the date of the invoice for non-delivery where delivery takes place at a location outside the European Union.
- 6.4 In the event of a valid claim for defect, loss, damage, or non-compliance with the Contract or non-delivery the Seller undertakes at its option either to reprocess or replace the items concerned at its expense but shall not be under any further or other liability in connection with such non-delivery, defect, loss, damage or non-compliance.
- 6.5 If the Buyer shall fail to give notice in accordance with Condition 6.3 above the items delivered shall be deemed to be in all respects in accordance with the Contract and without prejudice to earlier acceptance by the Buyer it shall be bound to accept and pay for the same accordingly and all claims in respect of non-delivery, defect, loss, damage or non-compliance shall (save as set out in Condition 12 (Defective Goods) below) thereafter be wholly barred.
- 6.6 If for any reason the Buyer:
- (a) does not accept delivery of the Goods at the time when the Goods are due and ready for delivery then the Seller may at its sole discretion store and/or arrange for the Goods to be stored for such period as the Seller may determine and take all reasonable steps to safeguard and insure them at the Buyer's cost, provided that the Buyer shall be informed thereof;
- (b) detains, delays or causes delay through improper or lack of instructions any of the Seller's or its agents or subcontractors vehicles, including ships, road tankers and rail wagons, the Buyer shall be liable for all losses, charges, costs and expenses, including demurrage, incurred by the Seller arising from or in connection with such detention or delay.
- 7 Packaging**
- 7.1 Subject to Conditions 7.2 and 7.3 below and unless otherwise agreed in writing, the Buyer shall dispose of all packaging of, or provided with, the Goods at its own expense.
- 7.2 All pallets, and any packaging marked as returnable, or as notified by the Seller as returnable, shall at all times remain the property of the Seller and shall be returnable by the Buyer in accordance with Condition 7.3 below (**Returnable Packaging**).
- 7.3 The Buyer must make the Returnable Packaging available for collection as soon as possible after delivery and shall ensure that it is correctly labelled. The Returnable Packaging must be empty, securely closed, in good repair and in clean external condition and

- must not contain any residues unless otherwise agreed in writing by the Seller.
- 7.4 The Buyer shall pay to the Seller the cost of replacing any Returnable Packaging plus any value added tax if applicable which has not been returned in accordance with this Condition 7 within sixty days of delivery.
- 8 Compliance with Local Law**
The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination, and for the payment of any duties on or in respect of the importation or transportation of the Goods.
- 9 Passing of title and risk**
9.1 The risk in the Goods shall pass to the Buyer on delivery.
9.2 Title in the Goods shall not pass to the Buyer until the Seller has received all payments in full and cleared funds from the Buyer in respect of:
(a) the Goods under the Contract; and
(b) any other contract between the Seller and the Buyer and on any other account whatsoever.
- 9.3 Until title has passed to the Buyer, the Buyer shall:
(a) be in possession of the Goods on a fiduciary basis solely as the Seller's baillie;
(b) store the Goods (at no cost to the Seller) in such a way as to enable them to be identified as the property of the Seller and separately from other Goods and goods of any third party;
(c) notify the Seller immediately if it becomes subject to any of the events listed in Condition 13.1(b); and
(d) at all times keep the Goods comprehensively insured against loss or damage by accident, fire, theft and other risks usually covered by insurance in the type of business carried on by the Buyer in an amount at least equal to the balance of the price for the same from time to time remaining outstanding and such policy shall bear an endorsement recording the Seller's interest.
- 9.4 The Buyer may only re-sell the Goods to the Buyer's customers in the ordinary course of the Buyer's business as a fiduciary and trustee for the Seller. In the event of any resale by the Buyer of the Goods, the Seller's beneficial entitlement shall attach to the proceeds of sale or other disposition so that such proceeds or any claim therefor shall be assigned to the Seller and, until such assignment, shall be held on trust in a separate identified account for the Seller by the Buyer. Such proceeds shall not be mingled with other moneys or paid into any overdrawn bank account and shall at all times be identifiable as the Seller's moneys.
- 9.5 Without prejudice to the equitable rules as to tracing, in the event of failure to pay the price in accordance with the Contract the Seller shall have power to re-sell the Goods, such power being additional to (and not in substitution for) any other power of sale arising by operation of law or implication or otherwise and for such purpose the Seller and its servants and agents may forthwith enter upon any premises or land occupied or owned by the Buyer to remove the Goods.
- 9.6 If, before title to the Goods passes to the Buyer, the Buyer becomes subject to any of the events listed in Condition 13.1(b) then, provided that the Goods have not been resold, or irrevocably incorporated into another product, and without limiting any other right or remedy the Seller may have, the Seller may at any time require the Buyer to deliver up the Goods and, if the Buyer fails to do so promptly, enter any premises of the Buyer or of any third party where the Goods are stored in order to recover them.
- 9.7 The Buyer grants the Seller, its agents and employees an irrevocable licence at any time to enter any premises where the Goods are or may be stored in order to inspect them, or, where the Buyer's right to possession has terminated, to recover them.
- 10 Health and Safety**
The Buyer acknowledges that, where it is required to do so by law, the Seller has provided the Buyer with satisfactory health and safety information and product literature concerning the conditions necessary to ensure that the Goods supplied hereunder will be safe and without risks to health when properly used and labelled.
- 11 Quality**
11.1 The Seller warrants that the Goods shall accord with the Specification.
11.2 The Buyer shall satisfy itself of the suitability of the Goods for its own particular purpose.
11.3 The parties agree that the Goods are not sold by sample whether or not any samples are provided to the Buyer.
- 11.4 These Conditions shall apply to any repaired or replacement Goods supplied by the Seller under Conditions 6.4 and 12.1.
- 11.5 Except as set out in these Conditions, all warranties, conditions and other terms whether express or implied by statute, common law or otherwise are excluded to the fullest extent permitted by law.
- 12 Defective Goods**
12.1 The Seller undertakes that if during the Defects Period a defect in materials or workmanship appears in the Goods, being a defect which would not be obvious on reasonable inspection, it will at its own discretion either:
(a) credit to the Buyer the full price paid by the Buyer to the Seller for such item; or
(b) supply a replacement free of charge at the place of delivery agreed by the parties for the original Goods, provided that in any case the original Goods have been accepted and paid for in accordance with the Contract and the Buyer notifies the Seller in accordance with Condition 12.2 below.
- 12.2 In order to exercise its rights under Condition 12.1, the Buyer shall notify the Seller in writing within seven days of the date when such defect appeared or ought reasonably to have been discoverable and shall at the Seller's written request return the defective Goods carriage paid to the Seller's Premises.
- 12.3 Nothing herein shall impose any liability upon the Seller in respect of any defect in the Goods arising out of the acts, omissions, negligence or default of the Buyer, its servants or agents including in particular (but without prejudice to the generality of the foregoing) any failure by the Buyer to comply with any recommendations of the Seller as to storage or handling of the Goods or any inaccuracies in any drawing or bill of quantities supplied by the Buyer or where the order contains errors.
- 12.4 Where the Goods are for delivery by instalments any defect in any instalment shall not be a ground for cancellation of the remainder of the instalments and the Buyer shall be bound to accept delivery thereof.
- 12.5 The remedy in this clause 12 is in substitution of all rights which the Buyer would or might have but for these Conditions.
- 13 Default or insolvency of Buyer**
13.1 The Seller may, without incurring any liability and without prejudice to any of its rights under common law, cancel or terminate the whole or any part of any contract between the Seller and the Buyer, stop any Goods in transit, suspend or cancel deliveries or further deliveries to the Buyer, suspend performance of the Contract and/or terminate the Contract by notice in writing to the Buyer if:
(a) the Buyer fails to pay any sums due to the Seller in accordance with the Contract or any other contract with the Seller or any member of the Sellers' group or is otherwise in material breach of contract;
(b) the Buyer is affected, or in the reasonable opinion of the Seller is likely to be affected, by one or more of the following events:
(i) the Buyer ceases or threatens to cease to carry on business or suspends all or substantially all of its operations or payment of its debts or becomes unable to pay its debts;
(ii) an administrator, administrative receiver, receiver or manager, liquidator, provisional liquidator or similar officer is appointed in respect of the whole or any part of the Buyer's assets or an administration order is presented in respect of the Buyer and/or a winding up petition is presented in respect of the Buyer;
(iii) an application for an interim order under is made or any distress, execution or other legal process is levied on the Buyer's property or assets;
(iv) the Buyer shall make or offer to make any arrangements or composition with its creditors;
(v) the Buyer's financial position or its credit rating deteriorates to such an extent that in the Seller's opinion the Buyer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
(vi) if the Buyer suffers any event similar to 13.1(b)(i) to 13.1(b)(iv) in any other jurisdiction.
- 13.2 In the event of the Seller exercising its rights under Condition 13.1 or upon termination of Contract howsoever arising all outstanding sums in respect of Goods delivered to the Buyer shall become immediately due.
- 14 Limitation of liability**
14.1 Nothing in these Conditions shall limit or exclude either party's liability for:
(a) death or personal injury caused by the negligence of either party;

- (b) fraud or fraudulent misrepresentation; and/or
 - (c) any matter in respect of which it would be unlawful for either party to restrict or exclude liability.
- 14.2 The aggregate liability of the Seller in connection with each Contract (however arising) to the Buyer for any loss or damage of whatever nature and howsoever caused shall be limited to and in no circumstances shall exceed:
- (a) the price of the Goods concerned; or
 - (b) if the Goods are delivered by instalments the price of the instalment of the Goods concerned.
- 14.3 The Seller shall not be liable to the Buyer, however arising, for any loss of profit, loss of use, loss of income, loss of production or accruals, loss of contracts, loss of goodwill or for any financial or economic loss or for any indirect or consequential damage whatsoever arising under or in connection with the Contract that may be incurred or suffered by the Buyer.
- 15 Force majeure**
- 15.1 The Seller shall not be in breach of the Contract or be liable to the Buyer for any failure to perform, or delay in performing, any of its obligations whatsoever caused by any matter beyond the Seller's control.
- 15.2 Without limitation matters beyond the Seller's control shall include:
- (a) strikes, lock-outs, industrial disputes (whether involving the Seller's workforce or a third party's), reduction in or unavailability of power at manufacturing plant or transport networks, breakdown of plant or machinery, closure of a manufacturing plant or part thereof (including for reasons of economic viability), shortage, unavailability or difficulty in obtaining raw materials from normal sources of supply (including labour, fuel, parts, machinery, materials or supplies, serious illness or epidemic); or
 - (b) acts of God, epidemics or similar events, accidents, malicious damage or sabotage, war or threat of war, terrorism, riots, civil commotion, import or export regulations or embargoes, defaults of the Buyer or third parties, nuclear, chemical or biological contamination, collapse of building structures, governmental or parliamentary restriction, prohibitions or enactments of any kind; or
 - (c) fire, floods, explosions, storms, earthquakes, loss at sea, natural disasters or extreme adverse weather conditions.
- 15.3 In the event of any of the matters in Clause 15.2 or of force majeure, the Seller shall be entitled to reduce the amount of Goods delivered or cancel, suspend, delay or terminate the Contract in whole or in part with no liability for loss or damage thereby occasioned and the Seller shall be entitled to a reasonable extension of time to perform its obligations under the Contract.
- 16 Cancellation**
- Save as provided in these Conditions, Contracts may not be cancelled except by agreement in writing of both parties and upon the payment to the Seller of such amount as may be necessary to indemnify the Seller against all loss resulting from the said cancellation.
- 17 Sub-contracting**
- 17.1 The Seller may assign, license or sub-contract all or any part of its rights or obligations under a Contract.
- 17.2 This Contract is personal to the Buyer who may not assign, license or sub-contract all or any of its rights or obligations under this Contract without the Seller's prior written consent (such consent not to be unreasonably withheld).
- 18 General**
- 18.1 Any delay or failure by the Seller to exercise any right or remedy in connection with this Contract shall not constitute a waiver or prevent the subsequent exercise of such rights or remedies.
- 18.2 Any notice to be served under the Contract shall be in writing and served upon the recipient at its registered office address (or such other address as may be notified for this purpose) by first class post. Such notice shall be deemed served forty-eight hours after posting if sent by first class post to an address within the United Kingdom, or six working days after posting if sent by first class post to an address outside of the United Kingdom.
- 18.3 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part they shall not affect the validity of the other provisions of these Conditions which shall continue in full force and effect.
- 18.4 A person who is not a party to the Contract shall not have any rights under or in connection with it.
- 19 Governing Law and Jurisdiction**
- 19.1 The Contract shall be governed and construed in accordance with English law and each of the parties hereby submit to the non-exclusive jurisdiction of the English courts to settle any dispute or claim that arises out of or in connection with the Contract or its subject matter or formation (including non-contractual disputes or claims).