



CONDITIONS OF SUPPLY

1. Definitions and Interpretation:

The following terms as used herein shall have the meaning as stated:

"Company" means SIPS Garden Rooms Limited;

"Conditions" means these Conditions of Supply;

"Contract" means any contract between the Company and the Customer for the supply of any Goods and/or Services, incorporating these Conditions;

"Customer" means any person, firm, company or other organisation who is the addressee of the Company's quotation or acceptance of order issued by the Company;

"Goods" means any goods or materials agreed in the Contract to be supplied by the Company to the Customer (including any part or parts of them), including any goods agreed to be supplied with, or in relation to, any Services;

"Input Material" means any documents, plans, drawings, designs or other materials, and any data or other information provided by the Customer to the Company relating to the Goods and/or Services;

"Intellectual Property Rights" means any design rights, utility models, patents, inventions, logos, business names, trademarks, domain names, copyright, moral rights, rights in databases, source codes, reports, drawings, specifications, know how, trade secrets, rights in software, rights in the nature of unfair competition and the right to sue for passing off and any other equivalent or similar rights to any of the foregoing in any jurisdiction, whether registered or unregistered;

"Output Material" means any documents, plans, drawings, designs or other materials, and any data or other information provided by the Company to the Customer relating to the Goods and/or Services;

"Services" means any services agreed in the Contract to be performed by the Company for the Customer (including any part or parts of them) including, but not limited to, any installation work to be undertaken in relation to any Goods;

"Site" means the premises at which the delivery of any Goods and/or the performance of any Services shall take place, including, but not limited to, the Customer's place of business;

"Supplies" means the Goods and/or the Services, depending on the context.

A reference to a clause is to a clause of these Conditions. Clause headings shall not affect the interpretation of these Conditions. Any reference to "parties" means the parties to the Contract and "party" shall be construed accordingly. 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. Words in the singular include the plural and in the plural include the singular.

2. Application of Conditions:

- 2.1** All quotations are made and all orders are accepted by the Company subject only to these Conditions, which shall prevail notwithstanding any other terms and conditions which the Customer shall bring to the Company's notice.
- 2.2** Any quotation is given on the basis that no Contract shall come into existence until the Company accepts the Customer's order in accordance with the provisions of clause.
- 2.3** Any quotation is valid for a period of 30 days only from its date provided that the Company has not previously withdrawn it.
- 2.4** The placing of an order following any quotation or other indication of price and delivery shall not be binding on the Company unless and until accepted by the Company in writing.
- 2.5** Any descriptions, technical data and illustrations (including but not limited to any elevated drawings) contained in any Company publications are published for information only and shall not be incorporated into the Contract.
- 2.6** The Customer shall ensure that the terms of its order and any Input Material and/or any applicable specification are complete and accurate.
- 2.7** If the Customer wishes to cancel their order, their cancellation request must be received in writing by the Company within 3 days of the Customer's deposit being paid pursuant to clause 7.1, whereupon the Customer's deposit will be returned in full; if a request to cancel the Customer's order is received after this time this must also be in writing to be effective and 25% of the deposit value will be retained by the Company to cover costs. Any request to vary the Customer's order must also be in writing, will be at the Company's discretion and may incur an additional charge.
- 2.8** The Company reserves the right to charge the Customer for any Output Material provided to the Customer.
- 2.9** Any surplus fittings or materials shall remain the property of the Company and shall be returned to it.

3. Obligations of the Customer:

The Customer shall:

- 3.1** provide the Company with all information, co-operation and support that may be required to enable the Company to carry out its obligations to the Client;
- 3.2** provide or procure adequate facilities to enable the Company to provide the Supplies at the Site (including but not limited to access to electricity and water) and further to allow full and complete access to the Site;
- 3.3** take all steps to ensure the health and safety of the personnel of the Company whilst they are in attendance at the Site in connection with the provision of the Supplies;
- 3.4** effect and maintain appropriate insurance at the Site on an all risks basis and in an adequate amount; and
- 3.5** effect and maintain appropriate licences and consents in relation to anything which may be required for the provision of the Supplies at the Site.

4. Price:

- 4.1** Prices for the Supplies, howsoever given, are based on conditions ruling on the date of their giving and are subject to change. The effective price for the Supplies shall be the price confirmed by the Company in its written notification of acceptance of the Customer's order pursuant to clause 2.3.

- 4.2** The Company reserves the right, by giving notice to the Customer at any time before delivery or provision of the Supplies, to increase the price of the Supplies to reflect any increase in the cost to the Company which is due to any factor beyond the control of the Company (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, any increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the Supplies which is requested by the Customer, or any delay caused by any instructions of the Customer or failure of the Customer to give the Company adequate, accurate or complete information or instructions.
- 4.3** Unless otherwise stated the price quoted will be exclusive of Value Added Tax which will be charged at the rate which is applicable at the date of dispatch of the Goods or commencement of performance of the Services.
- 4.4** Unless otherwise agreed in writing between the Customer and the Company, all prices are given by the Company on an ex works basis and where the Company agrees to deliver Goods otherwise than at the Company's premises, the Customer shall be liable to pay the Company's charges for transport, packaging and insurance.

5. Delivery and Performance:

- 5.1** Whilst the Company will use its best endeavours to provide the Supplies in accordance with the Customer's requirements, the Company will not be liable for any consequences of any delay in the provision of the Supplies, howsoever caused.
- 5.2** Any time or date given by the Company for delivery is intended as an estimate only. No delay or failure in respect of delivery or part delivery shall entitle the Customer to treat the Contract as repudiated.
- 5.3** The Company may make partial delivery of any order or deliver any order by instalments and these Conditions shall apply to each. Each delivery shall be deemed to be a separate contract.
- 5.4** Delivery of the Goods shall be made by the Company delivering the Goods to the Site and performance of the Services shall take place at the Site.
- 5.5** If for any reason the Customer fails to take or accept delivery of any of the Goods, or the Company is unable to deliver the Goods on time because the Customer has not provided appropriate instructions, documents, licences or authorisations: (i) risk in the Goods shall pass to the Customer (including for loss or damage caused by the Company's negligence); (ii) the Goods shall be deemed to have been delivered; and (iii) the Company may store the Goods until delivery, whereupon the Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance); or (iv) the Company may sell the Goods at the best price readily obtainable and (after deducting any reasonable costs and expenses in connection with the storage and expedited sale of the Goods), charge the Customer for any shortfall below the price for the Goods.
- 5.6** If delivery involves difficult access to or at the Site and/or the point of access to the Site is located at an unreasonable distance from any feasible vehicular access point, the Company reserves the right to levy an extra delivery charge. If the delivery of any Goods will involve passing through domestic buildings or over fences, the Company must be notified in advance.
- 5.7** The Company reserves the right to refuse to install the Goods if the Site does not meet the standard required by the Company and the Company will charge an additional delivery fee to return at a later date.

6. Intellectual Property Rights:

- 6.1** Any and all Intellectual Property Rights (howsoever arising), in relation to the Supplies and any Output Material shall at all times vest in and belong solely to the Company.
- 6.2** If the Goods are to be manufactured, designed, built or configured or any process is to be applied to the Goods by the Company in accordance with any express or implied instructions of the Customer (including but not limited to any specification or Input Material submitted by the Customer), the Customer shall hold the Company harmless and shall fully and promptly indemnify the Company against all loss, damages, costs and expenses awarded against or incurred by the Company in connection with or paid or agreed to be paid by the Company in settlement of any claim for infringement of any Intellectual Property Right of any other person which directly or indirectly results from the Customer's instructions.

7. Payment:

- 7.1** Provided that the Customer has produced references which in the Company's opinion are satisfactory, then 50% of the Contract price shall be payable upon issuance of the Company's written acceptance of the Customer's order pursuant to clause 2.3 and the balance of the Contract price shall be payable upon completion of the installation of the Goods. The outstanding balance will automatically be deducted from the Customer's debit or credit card on the final day of installation. If the Customer is to pay the outstanding balance by cheque, the Company's installation team leader will be instructed to request payment before departing on the final day. If the Customer has not produced satisfactory references, payment shall be made in advance upon submission by the Company of a pro-forma invoice.
- 7.2** All payments due to the Company shall be made without any deduction, withholding or set-off.
- 7.3** Failure by the Customer to pay any invoice by its due date shall entitle the Company to:
- a) at its option, to charge interest at the rate of five percent (5%) per annum above Natwest's base lending rate from time to time calculated on a daily basis (whether before or after any judgment) until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest);
 - b) to charge the Customer with any costs incurred by the Company in the course of collecting outstanding monies due to the Company from the Customer;
 - c) suspend any warranty for the Supplies or any other goods or services supplied by the Company to the Customer, whether or not they have been paid for;
 - d) set off any amount owed by the Company to the Customer against any amount owed by the Customer to the Company on any account whatsoever;
 - e) suspend or cancel any future delivery of Goods and/or performance of Services; and
 - f) cancel any discount or price reduction (if any) offered to the Customer. The Company reserves the right to claim interest under the Late Payment of Commercial Debts (Interest) Act 1998.

8. Force Majeure:

The Company reserves the right to defer the date of provision of the Supplies, or to cancel the Contract or reduce the volume of the Supplies ordered by the Customer (without liability to the Customer) if it is prevented from, or delayed in, the carrying on of its business (wholly or in part) 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 any inability or delay in obtaining supplies of adequate or suitable materials, or the failure or demise of any source of supply.

9. Warranty:

9.1 The Company warrants (subject to the other provisions of these Conditions) that:

(a) on delivery, the Goods shall be of satisfactory quality within the meaning of the Sale of Goods Act 1979; and

(b) the Services will be performed with reasonable skill and care.

9.2 The Company's liability pursuant to clause 9.1 shall be limited:

a) for Goods, to the replacement of any part of the Goods found to be defective and notified to the Company within the period set forth in clause 9.3; and

b) for Services, to re-performing those Services found not to have been performed with reasonable skill and care and notified to the Company within the period set forth in clause 9.3.

9.3 Any failure, defect in or malfunction of the Supplies shall be notified to the Company within 48 hours from delivery of the Goods or performance of the Services; otherwise, the Supplies shall be deemed to be satisfactory and a charge will be made for additional rectification work.

9.4 Subject to and without limiting the generality of any of the provisions of this clause 9, the Company guarantees for a period of:

a) two years from the date of delivery of the Goods to repair or replace any Goods which in the reasonable estimation of the Company are defective, (the defect having developed under proper use and arising solely from defective material or workmanship); and

b) ten years from the date of delivery of the Goods to repair or replace any roof, cladding, windows or doors on the Goods where any such roof, cladding, windows or doors have developed perforated corrosion under proper use (all four types of parts) or have developed rot under proper use (cladding only), provided that the Goods were installed by the Company, the Company has received written notice of the defect and the claim thereof is made within the relevant time period.

9.5 The Company shall not be liable for any breach of any warranty in clauses 9.1 or 9.4, if:

- a) the Customer makes any further use of any Goods which the Customer has alleged to be defective after giving notice of any such defect;
- b) the Customer modifies, adjusts, alters or repairs the Goods without the prior written consent of the Company;
- c) the defect arises because the Customer failed to follow any oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice;
- d) the defect arises from any specification supplied by the Customer, or from fair wear and tear, wilful damage, negligence, abnormal working conditions, misuse of the Goods or from any other cause which is not due to the neglect or default of the Company;
- e) the defect relates to any work external to the Goods, or arises by virtue of any act or omission of the Customer relating to the operation of the Goods, or through transportation or relocation of the Goods not performed by, for or on behalf of the Company, or by subjecting the Goods to any unusual physical or other stress or adverse environmental conditions;
- f) the full price for the Goods has not been paid by the time for payment stipulated in clause 7.1; or
- g) the defect is of a type specifically excluded by the Company by notice in writing.

9.6 If upon investigation, the Company reasonably determines that any failure, defect in or malfunction of the Goods is a result of any of the matters referred to in clause 9.5, the Customer shall be liable for all costs reasonably incurred by the Company in investigating the same and determining the cause.

9.7 Some timber sizes are nominal and subject to normal variations. Timber is a natural product which is inspected at the time of manufacture and the Company cannot be held responsible for any timber shrinkage, warping, cracking or movement after installation.

10. Exclusion of liability:

10.1 Other than as provided in clause 9 above and in Section 12 of the Sale of Goods Act 1979 and save for the conditions implied by section 2 of the Supply of Goods and Services Act 1982, all conditions, warranties and liabilities whatsoever whether express or implied, statutory or otherwise, are hereby expressly excluded and the Company shall be under no liability whatsoever for any loss or damage of whatsoever kind, howsoever caused or arising, including but without being limited to any direct, indirect or consequential loss or damage, lost profits, loss of use or other economic loss, provided that nothing herein contained shall be construed so as to exclude or limit the liability of the Company:

- a) for death or personal injury caused by the Company's negligence;
- b) for any matter which it would be illegal for the Company to exclude or attempt to exclude its liability; or
- c) for fraud or fraudulent misrepresentation.

10.2 The Company's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Contract shall be limited to the Contract price.

11.Changes:

The Company reserves the right without prior approval from or notice to the Customer to make changes to the Goods or their specification in order to meet any statutory or other requirement.

12.Risk and Title:

12.1 The Goods are at the risk of the Customer from the time of delivery.

12.2 Title to the Goods shall not pass to the Customer until the Company has received payment in full (including any interest or other sums payable) in cash or cleared funds for the Goods and for any other goods or services that the Company has supplied to the Customer in respect of which payment has become due.

12.3 Until title to the Goods has passed to the Customer, the Customer shall:

- a) hold the Goods on a fiduciary basis as the Company's bailee;
- b) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Company'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 and indemnify the Company against all loss or damage of whatsoever nature affecting the Goods;
- e) notify the Company immediately if it becomes subject to any of the events listed in clause 13.1 (b)-(e); and
- f) give the Company such information relating to the Goods as the Company may require from time to time, but the Customer may resell or use the Goods in the ordinary course of its business.

12.4 If the Customer is late in paying for the Goods or any other goods or services supplied by the Company or if, before title to the Goods passes to the Customer, the Customer becomes subject to any of the events listed in clause 13.1 (b)-(e), or the Company 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 the Company may have, the Company 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.

13.Termination:

13.1 The Company may terminate the Contract by written notice to the Customer if:

- (a) the Customer commits a continuing or material breach of the provisions of the Contract and if the breach is capable of remedy, fails to remedy it within 14 days of receiving written notice of the breach;
- (b) an incumbrancer takes possession or a receiver is appointed over any of the property or assets of the Customer;
- (c) the Customer makes a voluntary arrangement with its creditors or becomes the subject of an administration order;
- (d) the Customer has a bankruptcy order made against it or the Customer goes into liquidation (except for the purposes of amalgamation, reconstruction

or other reorganisation and in such manner that the company resulting from the reorganisation effectively agrees to be bound by or to assume the obligations imposed on the Customer); or
(e) the Customer ceases or threatens to cease to carry on its business.

13.2 The right to terminate the Contract given by this clause 13 shall not prejudice any other right or remedy of the Company against the Customer in respect of the breach concerned, or any other breach.

13.3 Upon termination of the Contract all obligations of the Company thereunder shall cease.

14. General:

No forbearance or indulgence granted by the Company to the Customer shall in any way limit the rights of the Company under these Conditions. No variation or purported variation of these Conditions shall have any effect unless agreed by the Company in writing. Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to that other party at its registered office or principal place of business. Neither the Company nor the Customer intends 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. If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected. The Company shall be entitled at its discretion to perform any of the obligations assumed by it and to exercise any of its rights granted to it under the Contract through any other company or subsidiary. The Contract constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior and contemporaneous agreements and understandings between the parties. Any dispute arising under or in connection with the Contract shall be referred to arbitration by a single arbitrator appointed by agreement or (in default) nominated on the application by either party to the President for the time being of the Law Society whose decision as to the type, qualifications and experience of such arbitrator shall be final and binding on the parties. The costs of the arbitrator shall be borne by the parties as he directs and his decision on the issue in dispute shall be final. These Conditions shall be subject to and construed under English Law and the parties hereby submit to the exclusive jurisdiction of the English courts for that purpose.