



TERMS & CONDITIONS OF SALE FOR COTSWOLD CARPET & FLOORING LTD

General

In these terms and conditions of sale "the Company" means Cotswold Carpet & Flooring Ltd., "the Customer" means the person, firm or Company purchasing the goods from the Company.

1. Trade prices

The price agreement issued by the Company is intended for the trade and is issued to bona fida customers with the request that it should not pass to other hands. Trade prices are subject to alteration at any time without notice. Nothing in the price agreement issued by the Company constitutes an offer and the Company reserves the right to refuse any order.

2. Acceptance of Orders

Unless otherwise agreed in writing by a director of the Company, all sales are undertaken on and subject to these Terms and Conditions of Sale. Placing of an order implies acceptance of our Terms and Conditions.

3. Value Added Tax

All prices quoted by the Company are exclusive of Value Added Tax.

4. Terms of Payment

Settlement discount of 2.5% of goods value only, may be deducted for payment by the 20th of the month following date of invoice. Payment after this date is nett, and interest at the rate of 2% per month may be charged on all balances outstanding at the end of the month following date of invoice.

5. Ownership of Carpet and Goods

a) The ownership of any Goods delivered by the Company to the Customer shall not pass from the Company until such time as the Customer has paid in full for those goods and for any other goods delivered by the Company to the Customer.

b) Notwithstanding the reservation of ownership in Clause 5(a), and subject to Sub-Clause 5(c), the Customer has the Company's consent to re-sell in the ordinary course of business any goods which remain the property of the Company in which event the Customer shall remit the proceeds of such sale to the Company up to the amount of any sums then owing and due for payment by the Customer to the Company and until so doing shall hold such proceeds of sale on behalf of the Company in such a way that they are kept separate and are readily identifiable.

c) If the Customer:

i) has a bankruptcy petition issued against the Customer; or

ii) goes into Liquidation whether voluntary or compulsory; or

iii) makes an arrangement with the Customer's creditors; or

iv) has an administrator or administrative receiver appointed over any of the Customer's assets; or

v) receives a written demand from the Company to pay overdue sums owed by the Customer; the Customer's consent from the Company to do the acts referred to in Sub-Clause 5(b) shall determine and be deemed to have determined forthwith and the Customer shall not thereafter sell or use Goods belonging to the Company, save with the consent in writing of the Company until the Company has been paid in full in accordance with Sub-Clause 5(a).

d) The Company may recover and dispose of any Goods in which the Company has retained the property under Sub-Clause 5(a) and upon the happening of any of the events referred to in Sub-Clause 5(c) and the Company or persons authorised by the Company may for that purpose enter upon any premises owned, occupied or controlled by the Customer where such goods may be.

e) The Customer agrees to store all goods that are the property of the Company in such a way that they are readily identifiable as such and to make a note in its accounting records that the goods are the property of the Company.

6. Carriage

Within the UK orders will be delivered carriage paid but the Customer will be charged for any special dispatch arrangements made at his own request. Any material held by the carrier at the Customer's request will be the Customer's responsibility.

7. Delivery

Whilst the Company will make every endeavour to despatch and deliver Goods to the Customer on the dispatch and delivery dates quoted, time is not of the essence of the contract for this purpose and the Company shall not be liable for any loss whether direct or consequential arising from any delay in despatch or delivery howsoever the same may have been caused. Goods are delivered at the store, labour to move goods inside is the Customer's responsibility.

8. Non-Delivery

In the event of non-delivery of Goods of which notice of consignment has been received by the Customer the Customer must within 14 days from the date of dispatch shown on the invoice notify the Company in writing of such non-delivery and the Company shall not in any event be liable for any loss whether direct or consequential arising out of such non-delivery.

9. Damage in Transit

Claims for damage must be reported to the Company within 48 hours of delivery.

10. Prices

Roll price is given on uncut original width and length rolls (a roll length is 18 to 30 metres). When an exact length is specified a cut length price will apply.

11. Sizes

Whilst every effort is made to manufacture to the correct sizes slight variations are unavoidable. The British Standards Institute Tolerance is +/- 1.25% either way (British Standards 3655 (1974)). This is used by the Company in evaluation of shortage claims.

12. Shrinkage

The Company cannot accept any claims for shrinkage of carpet unless it has been secured to the floor in an approved manner (according to British Standard 6325) or of any carpets installed in an area subject to excessive moisture (e.g. bathrooms, kitchens, laundry rooms, lavatory, etc.) Doublesided tape will not prevent shrinkage and it is not recommended for the above locations or other locations. To maintain our quality standard for installed carpet we recommend that all carpets be installed to conform to BS 5325. The carpet should be stored in the area to be fitted for at least 24 hours with minimum temperature of 18oc. Foam back carpet should be allowed to relax in site for 24 hours before cutting.

13 Inspection of orders by Customers, Customer claims and Customer Returns

Subject to the following provisions of this condition, any Goods which on receipt by the Customer is discovered to be faulty or through the Company's error is of the incorrect size, quality or colour may be returned by the Customer for full credit within seven days of delivery PROVIDED ALWAYS that the carpet has not been cut and/or laid or installed by the Customer. The Company will in no event be liable to any labour or other charges in connection with the installation or removal of defective material or replacement of goods. No goods may be returned and no complaint shall be made or receive consideration in respect of a) Shading and Pile Crush as all pile carpets especially those of plain colour are liable to shading (that is to say showing light and dark areas arising from unequal crushing of the surface pile) which is not a manufacturing fault. b) Fading. Carpets manufactured by Cotswold Carpet & Flooring Ltd. are constructed to meet colour fastness requirements laid out in BS 7131 (tested to BS 1006). Fading as a result of normal use occurs as the pile slowly compresses. It is not a colour fastness

problem but a function of the carpet in use; it is therefore not considered a manufacturing problem. c) Pulled Tufts. Unless the Customer can establish that such pulled or missing tufts are a manufacturing fault. d) Matching. Carpet supplied at different times cannot be guaranteed to match for colour or pattern. Tufted patterned carpet cannot be guaranteed to match for design when joining widths. It cannot be guaranteed that the colour of ordered carpet will comply precisely to the sample. e) Carpets sold as imperfect will not be considered as the subject of any complaint. f) Where the carpet has suffered from improper care and maintenance. g) Pile Reversal (shading or watermarking). Cut pile carpets may be subject to permanent pile reversal. That is the pile in certain parts of the carpet becomes apparently bent or distorted for no apparent reason, giving the appearance of areas of light and shade. This is described as 'shading' or 'watermarking'. At the present stage of research, no specific cause of this effect has been identified, there is no clear and consistent relation between it and the tracking caused by foot traffic, and the Company can accept no liability whatsoever in respect of it however it may have arisen. Customers are advised to ensure that consumers are alerted to this possible characteristic of all cut pile carpets.

14 Returns

The company will not accept the return of any goods to it unless such return has received its prior written approval. Subject to the foregoing, goods which are returned for credit owing to an error on the part of the Customer (including returns arising from the duplication of the orders as such) will be credited at 80% of the original price in the case of full roll orders, and 50% of the original price in the case of cut length orders provided that the goods are in perfect condition. If they are not in perfect condition (as to which matter the Company will be sole judge) they will be credited at their scrap value.

15 Liability

The Company's total liability to the Customer in respect of defective goods (whether arising pursuant to the Contract or to Statute or Common Law) will be limited to the replacement of the goods concerned or (at the Company's option) the making of an allowance not exceeding the price paid for them or an allowance to cover the outstanding portion of the guarantee of the undertaking of any necessary repair and the Company will not in any event be liable for any labour or other charges in connection with the installation or removal of defective or replacement goods. All other liability of the Company to the Customer of whatever kind, and from whatsoever cause arising is hereby excluded, save that nothing in these Conditions excludes or limits the Company's liability for death or personal injury caused by its negligence. The Company reserves the right to inspect all fitted complaints to establish fault.

16 Force Majeure

The Company shall not be liable to the Customer in any manner or be deemed to be in breach of this Contract because of any delay in performing or any failure to perform any of the Company's obligations under the Contract if the delay or failure was due to any cause beyond the Company's reasonable control.

17 Specifications

The Company reserves the right to alter or modify specification of any carpet without notice.

18 Copyright

Where the Company manufactures Goods to a design provided or specified by the Customer (not being an existing design of the Company).

- i) the Customer shall indemnify the Company against all damages, costs, claims, losses and expenses paid or incurred by the Company (including all sums paid by the Company in settlement of any claim or action) in consequence of the infringement or alleged infringement of patent, trade mark, registered design, copyright or other legal rights of a third party and;
- ii) for the purpose of Section 12 of the Sale of Goods Act 1979 the Company shall be bound to transfer only such title to the Goods as it may have.

19 Indemnity

The Customer shall indemnify the Company from and against any liability, loss, damage, injury, cost, expenses, claims and demands arising from any cause other than negligence or breach of contract by the Company.

20 Variation

No variation to these Terms and Conditions shall be effective unless made in writing and signed by a Director of the Company.