

SCHOOL PICTURES INTERNATIONAL LIMITED

GENERAL CONDITIONS OF SALE AND TRADING

DEFINITIONS

In these conditions the expression of "The Company" is School Pictures International Limited and all reference to the customer, are to the person, company or corporation placing the order.

1. GENERAL.

These Conditions shall govern any sale of goods or services by the Company to the exclusion of any other terms or conditions except such as are approved in writing by a Manager, Director, or other authorised officer of the Company. Current "Incoterms" shall apply subject to the express provisions herein. Any waiver shall not prejudice the Company's right in respect of subsequent breach. Quotations are valid for only twenty-eight days and orders placed thereon are subject to acceptance by the Company.

2. PRICES.

- (A) The Company reserves the right to vary prices (whether specifically quoted or otherwise) to take account of increases in the cost of raw materials, manufacture, packing transport or wages, arising before despatch.
- (B) Prices are exclusive of VAT or other tax, duty, tariff or charge arising in the U.K. or elsewhere.
- (C) Unless otherwise agreed, prices for goods are ex-works, carriage and packing costs are extra.

3. DELIVERY.

Any dates given for shipment or delivery are approximate.

4. LIABILITY.

- (a) Subject to sub-clauses (b), (c) and (d) the Company warrants goods and services against: Departure from its usual standards and specifications, or in the case of goods manufactured to the Customers specification, departure from the Customer's specification and defects in materials and workmanship, becoming apparent under normal use within twelve months of delivery of goods or performance of service, provided such are notified to the Company within twenty-eight days of becoming apparent.
- (b) If any goods or services do not comply with sub clause (a) the Company will, at its reasonable option replace the same, rectify the breach, or refund the appropriate part of the price (having regard to any benefit already enjoyed in respect thereof) or take back the goods.
- (c) The Company shall not be liable for :
 - (i) Consequential Loss;
 - (ii) Any excess in total claims over the contract price;
 - (iii) Technical Advice or assistance which it was not contractually bound to provide;
 - (iv) Loss caused by delay; and
 - (v) Any loss which the Company is precluded from recovering from a carrier by reason of the Customers failure to give the notice necessary for such recovery
- (d) THE EXPRESS WARRANTIES HEREIN ARE GIVEN IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, CONDITIONS IN RESPECT OF QUALITY FITNESS AND THE LIKE, AND GUARANTEES, SAVE THAT ARISING UNDER SECTION 12 OF THE SALE OF GOODS ACT 1983.

5. FORCE MAJEURE.

The Company shall be excused non-delivery or delay in delivery directly or indirectly caused by, or resulting from, or made fundamentally more onerous by, events or circumstances beyond the Company's reasonable control (including but without limitation suppliers' delays and trade disputes, whether of the Company's employees or otherwise). In the event of any deliveries being so suspended or delayed, the period of the contract shall be correspondingly extended, or if deliveries are suspended for six months or more either party may, by notice in writing to the other, cancel the contract whereupon the Company shall either issue a Credit Note or Invoice, as appropriate, in an equal amount to an equitable portion of the total contract price.

6. PAYMENT.

Payment shall be made nett, and without set-off, so as to be received on or before the contractual terms agreed. The Company shall be entitled to charge simple interest on overdue accounts at a rate of 2.5% per month. It is the Company's policy to enforce our right to add interest and collection costs for late payment under the Late Payment of Commercial Debts (Interest) Act 1998 as amended and supplemented by the Late Payment of Commercial Debts Regulations 2002.

7. PASSING OF TITLE.

The risk in the goods shall pass from the seller to the buyer upon delivery of such goods to the buyer. However, notwithstanding delivery and the passing of risk in the goods, title and property in the goods, including full legal and beneficial ownership, shall not pass to the buyer until the seller has received in cash or cleared funds payment in full for all goods delivered to the buyer under this and all other contracts between the seller and the buyer for which payment of the full price of the goods thereunder has not been paid. Payment of the full price of the goods shall include the amount of any interest or other sum payable under the terms of this and all other contracts between the seller and the buyer under which the goods were delivered.

8. EXPORT DELIVERIES.

In respect of all contracts for sale of goods or execution of work outside the UK, the Customer will provide any necessary Export Licenses, Import Licenses or exchange control authorisations within a reasonable time.

9. UNDER/ OVER DELIVERIES.

The Company may deliver an excess or deficiency of up to 5% of the order and payment shall be made Pro Rata to contract price.

10. SCHEDULED ORDERS.

If there are to be schedules of requirements from time to time:-

- (a) The provision for under/over deliveries shall apply to the quantities shown on each of the Customer's schedules;
- (b) No arrears of goods will be subject to cancellation unless agreed in writing between Customer and the Company; and
- (c) The Customer will be committed to accept delivery of the goods scheduled for the next ensuing three months, and it will be liable for the cost of raw materials and other purchases made by the Company for the purpose of the Customer's scheduled requirements in respect of the following three months thereafter.

11. CANCELLATIONS.

If a contract is cancelled on the Company, then the Company will, at its discretion, hold the Customer liable to complete that nullified part of the contract to the extent of finished, part finished or special materials that cannot be sold elsewhere, and will invoice the Customer accordingly.

12. LAW.

The Law of England shall govern the formation, interpretation and enforcement of the Contract.