

CONTRACT CONDITIONS
for
WAREHOUSING, PICK-AND-PACK, HAND FINISHING and DISTRIBUTION SERVICES

Tactical Fulfilment Solutions Limited (herein the Company) provides all items and services on the following Conditions which can be varied only in writing by an Officer of the Company.

If a Customer's acceptance document, purchase order or other documentation, received by the Company before or after notification of these Conditions, contains terms at variance with these Conditions, then every such term shall be of no effect.

IMPORTANT NOTE

PLEASE READ CONDITION 3 CAREFULLY. It has been included to ensure that the Customer is aware of their responsibility to insure their stock and the limits of Company's liabilities.

THE COMPANY'S OBLIGATIONS

- 1.1 The Company will provide its core services warehousing, pick-and-pack, hand finishing and distribution with reasonable skill and care. In the absence of prior written instruction to the Company giving sufficient detail, no particular precautions nor any special treatment need be taken or provided for the Goods.
- 1.2 In the case of warehousing the Company's responsibility for the Goods starts once the inbound delivery has been checked and validated by the Company's representatives and ends when the Goods are loaded onto the collection/delivery vehicle. A signature on inbound delivery paper work is confirmation that a delivery has been received not confirmation of the contents, condition or quantity. Unless requested in writing to do so inbound stock counts will be limited to the number of outer cartons not an internal check of the contents of individual cartons or pallets. The Company's liability to the Customer for stock level accuracy will reflect the level of inbound stock checking that is performed. Where liability for stock level discrepancies is established the Company will at its sole discretion;
- (i) Replace stock
- or,
- (ii) Credit the Customer's account based on the unit price of the items on the occasion when they were most recently purchased by the Customer (supported by a validated supplier invoice).
- In both cases (i) and (ii) the amount of replacement stock or credit value will be determined by what could reasonably be considered the ongoing requirement of the Customer for such stock based on usage reporting.
- 1.3 In the case of hand finishing the Company's responsibility for the Goods starts once the inbound delivery has been received and ends when loaded onto the collection/delivery vehicle. Inbound Goods for hand finishing projects are not checked for accuracy. A signature on inbound delivery paper work is confirmation that a delivery has been received not confirmation of the contents, condition or quantity. In the event that stock discrepancies come to light once the project has started the Company is unable to accept any liability for such discrepancies.
- 1.4 In the case of distribution the Company's responsibility for the Goods starts when loading onto the vehicle is complete and ends when the Goods are;
- 1.4.1 In the case of bulk and/or pallet deliveries using the Company's appointed 3rd party contractor tendered for unloading by the Customer;
- 1.4.2 In the case of parcel deliveries using the Company's appointed 3rd party contractor when a Customer signature is obtained by delivery driver;
- 1.4.3 In the case of forwarding services when the Goods are collected by the Customer's appointed service provider.
- 1.5 The Company's duty is to the Customer only and not to any third party. Any advice given is for the Customer only.
- 1.6 Unless it states otherwise in writing, where the Company provides forwarding services it operates as the Customer's agent in engaging contractors to deal with the Goods.

CUSTOMER'S UNDERTAKINGS

2. It is a condition of the contract, and the Customer warrants and undertakes, that:-

- 2.1.1 It is either the owner of the Goods, or is authorised by the owner to accept these Conditions on the owner's behalf.
- 2.1.2 The Goods shall be presented to the Company (and/or anyone else dealing with them) securely and properly packed in compliance with any applicable statutory regulations, recognised standards and best practice and are and will remain in a condition to be safely handled, stored and/or carried and so as not to cause injury, damage, contamination or deterioration (or the possibility of them) to any person, premises, equipment or to any other items in any way.
- 2.1.3 Before the Company assumes any responsibility for or by reference to the Goods, the Customer will inform the Company in writing of any relevant matters; including any special precautions necessitated by the nature, weight or condition of the Goods and any statutory or other duties specific to the Goods with which the Company or others may need to comply; and will promptly after invoicing pay the Company's reasonable extra charges for complying.
- 2.1.4 The Customer will promptly after invoicing reimburse all duties, taxes and expenses that the Company may be required to pay in respect of the Goods including where the liability to pay them arises due to the fault, other act or omission of the Company or its employees or sub-contractors.
- 2.1.5 Except to the extent previously notified in detail to, and accepted by, the Company in writing none of the Goods: are hazardous or contaminated; may cause pollution of the environment or harm to human health if they escape from their packaging; require any official consent or licence.
- 2.1.6 Where the Company is distributing the Goods, the Customer will provide a risk assessment and method statement appropriate for the Goods and any location in which they are being handled. In the case of bulk and/or pallet deliveries unless otherwise agreed the Customer will provide suitable facilities and equipment for, and will procure, safe and prompt loading and unloading of the Goods. In the case of bulk and/or pallet deliveries the Customer will pay demurrage if the vehicle is delayed for more than 30 minutes beyond the time reasonably needed for loading or unloading; and demurrage and storage charges if delivery is refused. In the case of parcel deliveries the Customer will pay redelivery charges in the event that the recipient is not available to sign for the delivery.
- 2.1.7 The Customer will comply with any reasonable regulations of the Company relating to handling, carriage, storage or forwarding of Goods (and ancillary matters) which are notified in writing from time to time.
- 2.1.8 Information given by or on behalf of the Customer shall be materially correct and complete.
- 2.2 The Customer will indemnify the Company against any loss or damage it suffers as a result of carrying out the Customer's instructions or which is related to any breach of the Customer's obligations, and will pay all costs and expenses (including professional fees) incurred in, and the Company's reasonable charges for, dealing with the breach and its consequences. The Customer will pay an extra charge equal to the amount of any fine or penalty payable by the Company wholly or partly as a result of a breach by the Customer. If the Company suspects a breach of Condition 2, it may refuse to accept the Goods, demand their immediate removal, or itself arrange their removal without notice, at the Customer's expense.

INSURANCE AND THE COMPANY'S LIABILITY FOR LOSS

- 3.1 Except as provided in Condition 3.6, the Company does not insure the Customer's Goods while being loaded/unloaded, stored in the Company's warehouse or in-transit.
- 3.2 The Customer shall self-insure or make arrangements to cover the Goods against all insurable risks to their full insurable value (including all duties and taxes) with any right for the insurer to bring a subrogated claim against the Company being excluded.
- 3.3 Subject to Condition 3.6, the Company excludes all liability for Loss however arising.
- 3.4 If and to the extent that Loss is directly caused by negligence or wilful act or default of the Company, its employees (acting in furtherance of their duties as employees) or sub-contractors or agents (acting in furtherance of their duties as sub-contractors or agents) and subject to Conditions 3.5, 3.6, 3.7 and 3.8, the Company will accept liability for Loss assessed on normal legal principles but not exceeding the Limit fixed by Condition 3.6. Any quantification of value includes duties and taxes.
- 3.5 In no case shall the Company be liable for any lost profit, income or savings, wasted expenditure, or indirect or consequential loss.
- 3.6 In no case shall any liability of the Company (including inter alia any liability in respect of duties and taxes) exceed the Limit, as follows:-
- 3.6.1 In the case of warehousing please refer to 1.2
- 3.6.2 In the case of hand finishing please refer to 1.3
- 3.6.3 In the case of bulk and/or pallet deliveries using the Company's appointed 3rd party contractor the Company's liability is limited to the value of the compensation that can be secured from the 3rd party contractor.
- 3.6.4 In the case of parcel deliveries using the Company's appointed 3rd party contractor the Company's liability is limited to the value of the compensation that can be secured from the 3rd party contractor.

- 3.6.5 In the case of forwarding services when the Goods are collected by the Customer's appointed service provider the Company can accept no liability.
- 3.7 Without prejudice to the Company's rights under Condition 6 to be paid free from deduction or set-off, any limitation of liability on the part of the Company shall be applied to any claim by the Customer before any set off or counterclaim is asserted against money due to the Company.
- 3.7.1 The Company shall not be liable for any claim unless:
- it has received written notice of it within 24 hours of the event giving rise to the claim coming to the knowledge of the Customer or consignee;
- and,
- it has received within 72 hours of the event giving rise to the claim coming to the knowledge of the Customer or consignee sufficient detail in writing to enable investigation. In the case of failure to deliver, time shall run from the first working day after the expected date of delivery.
- 3.7.2 No legal proceedings (including any counterclaim) may be brought against the Company unless they are issued and served within 30 days of the event giving rise to the claim.
- 3.8 The Company shall not be liable for any Loss to the extent that it is caused or contributed to by a breach of any of the Customer's obligations in Condition 2, or by any of the circumstances by virtue of which the Company is relieved of its obligations under Condition 8.

EMPLOYEES, SUB-CONTRACTORS AND OTHERS

- 4.1 The Company shall be entitled to sub-contract all or any part of its obligations and in this event these Conditions shall apply to such services. Where storage is subcontracted the Company will on request notify the Customer of the location of the Goods.
- 4.2 No Interested Party will make a claim or issue proceedings in respect of Loss against any Additional Party.
- 4.3 Without prejudice to Condition 4.2, if an Additional Party pays or is liable to make a payment to an Interested Party in connection with a claim for Loss, the Interested Party will fully indemnify the Company against any claim (including all costs and expenses) by the Additional Party against the Company for reimbursement of, contribution to or indemnity against that payment to the extent that it exceeds the Limit applicable at the time of the event giving rise to the claim.

CHANGE OF CUSTOMER

5. The Customer may give written authority for the Goods or any part to be transferred to the account of another party on condition that before the effective date of the transfer the other party notifies the Company in writing that it is to become the Customer and is to be bound by these Conditions and by any notice given under Condition 3 and will pay the Company's charges for the period after the effective date. The Customer will pay the charges for the period until the later of the effective date or receipt and acceptance by the Company of the other party's written notification. The Goods remain subject to any lien which applies at the time of transfer.

CHARGES, PAYMENTS AND LIEN

- 6.1 The Company's charges are subject to VAT and may be increased by prior notice to the Customer. The notice shall be at least 7 days for increases reflecting any rise in fuel costs and at least 21 days otherwise. The Company has the right to charge for storage of the Goods for so long as it has custody of or is responsible for them.
- 6.2 The charges shall be paid free of any deduction or set-off at such periodic intervals as may have been agreed between the parties and in any event on the earlier of (a) the expiry of any agreed period of credit and (b) the time immediately before any of the Goods cease to be in the Company's care or control. The Company shall be entitled to payment for carriage at the time the Goods are loaded onto the vehicle.
- 6.3 Interest shall be paid on money overdue to the Company at the rate of 2% for each calendar month during all or part of which it is overdue.
- 6.4 The Company shall (on its own behalf and as agent for any assignee of its invoices) have a general and particular lien on the Goods (and any associated documentation or records) as security for payment of all sums (whether due or not) claimed by the Company from, or invoiced to, the Customer or another Interested Party on any account (relating to the Goods or not), or otherwise claimed in respect of the Goods or other property of an Interested Party. Storage shall be charged for any goods detained under lien.

TERMINATION

- 7.1 The Goods shall be removed by the Customer at the time agreed between the parties. The Company may at any time by notice in writing to the Customer require the removal of the Goods within 14 days from the date of such notice or, in the case of perishable goods, within 3 days.
- 7.2 Where the Customer fails to comply with Condition 7.1, or any payment from the Customer is overdue, the Company may, without prejudice to its other rights and remedies against the Customer, notify the Customer in writing that the Goods may be sold or otherwise disposed of at the Customer's entire risk and expense if such payment is not made and/or such Goods are not removed within 21 days, or in the case of perishable goods within 3 days, from the date of such notice. On expiry of the period, if such payment has not been made and/or the Goods have not been so removed the Company may sell or otherwise dispose of the Goods or any part at the Customer's entire risk and expense by an appropriate method, and any proceeds of sale or disposal shall be remitted to the Customer after deduction of all expenses and all amounts claimed by the Company and any assignee of its invoices.

FORCE MAJEURE

8. The Company shall be relieved of its obligations to the extent that their performance is prevented or delayed by, or their non-performance results wholly or partly from, the act or omission of the Customer or its agent or an Interested Party (including any breach by the Customer of these Conditions) or by storm, flood, fire, explosion, civil disturbance, governmental or quasi-governmental action, breakdown or unavailability of premises, equipment or labour, or other cause beyond the reasonable control of the Company.

GENERAL

- 9.1 Each exclusion or limitation in these Conditions exists separately and cumulatively.
- 9.2 Signature on a delivery note by the Customer or representatives of the Customer is evidence that the Goods have been received by the Customer in apparently good order.
- 9.3 Any notice shall be duly given if left at or sent by first class prepaid post to the last known address of the other party or by facsimile to the last notified number evidenced by a successful transmission record, or by email to the last address notified for the purpose of service; and shall if posted be deemed to have been given 2 working days after posting, and if by facsimile or email, one working day after sending.

GOVERNING LAW

10. All contracts between the Company and the Customer and any claims relating to the Goods shall be governed by the law of England and disputes dealt with exclusively by the English courts.

DEFINITIONS

11. Terms used in these Conditions have the following meanings:
- "Additional Party" means any employee, agent or sub-contractor of the Company, or anyone entitled to an indemnity, reimbursement or contribution from the Company in respect of a claim by an Interested Party.
- "Company" means the party agreeing to provide the services and/or items under the contract
- "Customer" means the party requesting the services and/or items under the contract
- "Goods" means goods (including any associated packaging and equipment) to which the contract relates
- "Interested Party" means the Customer and/or anyone with an interest in the Goods; any obligation of the Interested Party is borne jointly and severally.
- "Loss" includes (without limitation) loss (including theft), destruction, damage, unavailability, contamination, deterioration, delay, non-delivery, mis-delivery, unauthorised delivery, non-compliance with instructions or obligations, or incorrect advice or information.
- "Officer" includes a Director, Company Secretary, Partner, or member of an LLP
- "Subcontractor" means a party engaged at the behest of the Company to perform some or all of the Company's obligations
- "Forwarding Services" means where the Company co-ordinates the use of the Customer's preferred supplier account for the distribution of goods

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