



GENERAL CONDITIONS

1 - Definitions

1.1 The Contract represents the entire agreement between the Purchaser and the Supplier. "The Contract" means:

- the Purchase Order, (being the front sheet hereof and upon which any special conditions are set out) and
- these General Conditions

In the event of any conflict between any provisions of the Purchase Order and these General Conditions then the Purchase Order shall prevail.

1.2 The Contract is between Channel Tunnel Group Ltd ('the Purchaser') and the person whose name and address appears overleaf in the Supplier box ('the Supplier').

1.3 No variation to this Contract shall be binding unless made in writing and signed by the Purchaser.

1.4 Neither the Purchaser nor the Supplier may rely on any other stipulation oral or written and only the Contract shall be binding on the parties.

1.5 For the avoidance of doubt no payment shall be made by the Purchaser for any service performed or goods delivered by the Supplier in breach of this Contract and any goods so delivered shall be collected by the Supplier at its own expense.

2 - Formation of Contract

2.1 The Contract is in triplicate.

2.2 Copies 1 and 2 shall be received by the Supplier. Copy 3 shall be retained by the Purchaser in electronic form. The Supplier shall return to the Purchaser copy 2 which is entitled "Acknowledgement of Purchase Order" duly dated and signed.

2.3 The Acknowledgement of Purchase Order dated and signed by the Supplier and endorsed with the words "agreed" must be returned to the Purchaser by the Supplier within 7 days after receipt and in any event prior to the supply by the Supplier of any goods and/or services under this Contract.

2.4 If the Supplier fails to sign the Acknowledgement of Purchase Order as required by these terms but subsequently deliver either the goods and/or services (in whole or in part) specified herein then such conduct shall be deemed to constitute acceptance of these terms and the Supplier shall be bound as if he had signed the same as required by this clause 2.

3 - Assignment of Contract

3.1 The Supplier shall not assign or sub-contract any rights and obligations hereunder without the prior written consent of the Purchaser.

3.2 The Supplier is solely responsible to the Purchaser for the entire delivery of goods and/or services hereunder, and the Purchaser shall not be responsible or liable for any commitments of whatsoever kind that the Supplier might have entered into with any third parties.

4 - Quality

4.1 The Supplier shall supply goods or perform services to a level and quality so that the quality of services delivered by the Purchaser to its customers is not prejudiced.

4.2 The Supplier shall supply on demand such proof as the Purchaser may reasonably require (including by means of audits commissioned by the Purchaser) to enable the Purchaser to satisfy itself that the level of quality of goods and/or services supplied or to be supplied meets the Purchaser's minimum requirements.

4.3 If the Purchaser wishes at any time to alter the specification or any other element of the goods or/and services to be supplied by the Supplier it will notify the Supplier of its request in writing. The Supplier shall within 7 days of the Purchaser's notification advise the Purchaser of the impact of any such changes on delivery times and price. The Purchaser shall decide within a further 14 days either:

4.3.1 to proceed with the alteration in which case the parties will sign a Contract Variation which details the agreed alteration and any changes in delivery times or prices; or

4.3.2 not to proceed with the alteration in which case the Purchaser shall either proceed with the Contract or elect to terminate the same paying to the Supplier such sum as represents the irrevocable costs actually incurred by the Supplier up to the date of termination. The Supplier acknowledges it shall only be entitled to recover the said costs and waives any claim for loss of profit or other consequential losses arising out of the termination.

If the Supplier cannot make the alterations requested by the Purchaser then the provisions of clause 4.3.2 shall apply.

4.4 All goods supplied hereunder shall be:

4.4.1 Of satisfactory quality as defined in the Sale of Goods Act 1979 (as amended),

4.4.2 In accordance with any sample or description applied to them,

4.4.3 In accordance with statutory requirements and regulations relating to them,

4.4.4 Properly and securely packaged.

4.5 All services provided shall be carried out by properly qualified personnel and such high standard of quality as its reasonable for the Purchaser to expect.

5 - Delivery time

5.1 In respect of the delivery time stipulated on the Purchase Order ('Delivery Time') time is of the essence. If the Supplier fails to meet the Delivery Time the Purchaser may without prejudice to any other right or remedy available to it terminate this Contract forthwith.

5.2 Without prejudice to any other provision of this Contract the parties may agree that in the event that the Supplier fails to meet the delivery time the Supplier will pay liquidated damages to the Purchaser from the Delivery Time up to the date of actual delivery. The Purchaser shall be entitled to deduct the liquidated damages from any payment due to the Supplier whether under the terms of this agreement or otherwise.

6 - Delivery, acceptance, transfer of ownership

6.1 The goods shall be delivered to and/or any services shall be performed at the address shown on the Purchase Order and in either case during normal business hours.

6.2 If the goods and/or services are delivered in instalments (which shall only be permissible where stated in the Purchase Order) then the Contract shall be treated as a single contract and not severable.

6.3 On delivery of goods or services to be supplied hereunder, the Supplier shall provide to the Purchaser two copies of the delivery note. All delivery notes must contain the Purchase Order number and full details of the goods and/or services delivered. Delivery notes will be dated and signed jointly by the Purchaser or the Purchaser's representative and/or the carrier. Any goods and/or services, which are delivered, which are not in accordance with the Purchase Order shall be returned to the Supplier at the Supplier's expense.

6.4 Risk in any goods shall transfer to the Purchaser on signature of the delivery note by the Purchaser.

6.5 Title in the goods shall transfer to the Purchaser on delivery of the goods unless payment has been made prior to delivery in which case title shall transfer on payment.



Final Acceptance of any goods shall occur either fifteen days after delivery unless the Purchaser has notified the Supplier of any defects in the goods in which case Final Acceptance shall occur 15 days after notification by the Purchaser to the Supplier of complete rectification by the Supplier of all such defects.

If the goods and/or services or any of them fail to comply with any specification set out in the Purchase Order or are in any way unfit for their intended purpose or in breach of any term hereof then without prejudice to any of the Purchaser's right (including its rights to reject the same) the Supplier shall at its sole expense take all necessary steps to render the goods and/or services compliant or shall replace them with goods/services that comply with the requirements hereof.

7 – Intellectual property rights

7.1 Whenever the Supplier manufactures any item or service specifically at the request of the Purchaser and in accordance with the specifications laid down by the Purchaser the Supplier agrees that the Purchaser will be owner of and the Supplier hereby assigns to the Purchaser all intellectual and industrial property rights and copyright in the same and will have the right to the free commercial use thereof. The Supplier shall effect such further assignments or other documents in relation to the said rights as the Purchaser may from time to time require.

7.2 The Supplier warrants that the goods and services supplied and the purchase and the use thereof by the Purchaser will not infringe any intellectual or industrial property rights or any copyright owned by any other person. Accordingly, if any action claim or proceedings are brought against the Purchaser in connection with any such rights by any third party the Purchaser will inform the Supplier forthwith and the Supplier shall indemnify the Purchaser against the same and be responsible for any judgement against and for all costs claims liabilities and expenses incurred by the Purchaser in connection therewith. In such a case the

Supplier shall also either procure the right for the Purchaser freely to use the goods or services or shall replace them with non-infringing goods or services of an equivalent standard and performance.

7.3 The Supplier shall inform the Purchaser immediately of any claim, writ or proceedings challenging a right that the Supplier has assigned to the Purchaser. The Supplier shall indemnify and hold the Purchaser harmless against all and any cost claims liabilities or expenses it may incur in respect thereof.

8 - Hazardous substances

8.1 If the Contract involves supplying goods or substances that are hazardous, toxic or harmful to life or property, the Supplier shall prior to delivery provide the Purchaser in writing with all relevant safety instructions for the handling, storage and use of such goods or substances.

8.2 These instructions shall be in French and English on the packaging of such goods or substances.

9 - Invoicing and payment

9.1 The price of the goods or services shall be as set out in the Purchase Order and shall be inclusive of all charges for packaging packing carriage delivery and any duties or imposts other than VAT.

9.2 No increase in the price shall be permitted save as set out herein.

9.3 All invoices submitted by the Supplier to the Purchaser must contain details of:

9.3.1 The Purchase Order number,

9.3.2 The type and quantity of goods supplied or the description nature and duration of the service performed.

9.4 Any error or omission in invoicing may lead to payment terms being extended for which the Purchaser can under no circumstances be held responsible.

9.5 Any appropriate discount taxes and other taxes and duties shall be shown separately on the invoice.

9.6 Invoices must be sent to the person and address stated on the Purchase Order. Unless otherwise stipulated on the Purchase Order, and provided the Supplier has discharged its obligations under the Purchase Order, payments will be made 30 days net, date of the invoice.

9.7 The Purchaser shall be entitled to set off against the Supplier's invoice all sums due to the Purchaser by the Supplier whether arising under this contract or otherwise.

10 - Warranty

10.1 The Supplier warrants that the equipment, goods or services supplied will be free from all defects for 12 months provided such equipment or services have been used in accordance with the Supplier's instructions or failing that under normal conditions of use.

10.2 This warranty covers the actual goods and services as well as the consequences of the Purchaser being deprived of the use or enjoyment of such goods or works for the time required to remedy the defects.

10.3 The warranty in respect of goods shall run from the date of Final Acceptance as defined in clause 5.5 hereof.

10.4 Any operation carried out by the Supplier under this warranty shall itself be guaranteed for a further 12 months.

10.5 The contents of this clause 10 shall not affect or in any way prejudice or diminish the Purchaser's other rights hereunder or any other remedies available to it at law.

11 - Liability and insurance

11.1 The Supplier shall be liable to the Purchaser for and shall indemnify the Purchaser against any expenses liability losses claims or proceeding whatsoever arising out of or in connection with the Supplier's performance of or any failure of the Supplier to perform any of its obligations under the Contract or out of or in connection with any breach of duty by the Supplier whether statutory or otherwise. Nothing contained in the Contract shall prejudice any rights or remedy of the Purchaser under the Contract or general law.

11.2 The Supplier shall maintain liability insurance with a reputable company to cover all liabilities it may incur arising out of the supply of any goods and services hereunder.

11.3 The Supplier shall supply to the Purchaser a copy of the policy upon demand.

11.4 Failure by the Supplier to take out insurance as required by this clause 11 shall constitute grounds for immediate termination of the Contract without prejudice to the Purchaser's rights against the Supplier.

12 - Confidentiality

12.1 Save as may otherwise be required by law the Supplier agrees that it shall at all times keep confidential and not use and disclose to any third party either the terms of this Agreement or any information relating to the activities carried out hereunder or any Sensitive Information or information of a confidential nature concerning the business or affairs of the Purchaser.

12.2 For the purposes of this clause 12 "Sensitive Information" shall mean the matters in clause 12.1 and any confidential information of a financial nature relating to the Purchaser and any information relating to the terms of employment of any staff or to other matters relating to the employees of the Purchaser together with any other information which is declared by the Purchaser to be Sensitive Information, provided that



material shall cease to be Sensitive Information if it comes into the public domain or otherwise known to the Supplier other than by virtue of any breach of any provision of this clause 12.

12.3 For avoidance of doubt the Supplier expressly acknowledges that the Agreement entails the handling of Sensitive Information. In the event that the Supplier receives a request for any Sensitive Information from any third party (where the provision of such information falls outside the provision of the services under the Agreement) such request shall be referred to the Purchaser and no further steps shall be taken in relation to that request save expressly agreed to in writing by the Purchaser.

12.4 The Supplier shall ensure all of its staff are aware of the obligation of confidentiality contained in this Agreement and of the Purchaser's policies and practices with regard to the security of information materials and supplies and shall ensure that staff are aware of the consequences of breach under the terms of this Agreement.

12.5 All materials and documents of the Purchaser handled by the Supplier shall be disposed of only in accordance with arrangements first agreed to in writing by the Purchaser.

12.6 Without prejudice to the foregoing the Supplier shall comply with all reasonable instructions given by the Purchaser relating to the security of Sensitive Information materials supplies and documents.

12.7 Except with the prior written consent of the Purchaser the Supplier shall not make any announcement or otherwise communicate with the media in respect of this Contract.

12.8 Any breach of this clause shall constitute grounds for immediate termination of the Contract by the Purchaser without prejudice to the Purchaser's rights against Supplier.

13 -Termination and end of Contract

In addition to the rights of termination laid down by law and in this Contract, if one of the parties breaches any of its obligations hereunder the other party may forthwith terminate the Contract on grounds of that party's fault. In all cases, and whatever the reason for the end of the Contract, the Supplier shall immediately return to the Purchaser all documents and records or other documents in whatsoever media they had been supplied to it by the Purchaser for the performance of the Contract as well as any advance payments that the Supplier may have received for goods or services not yet supplied.

14 -Security, health, safety

14.1 The Supplier expressly undertakes that its staff or any person working on its behalf on the sites owned by the Purchaser shall abide by all security and health and safety rules applicable to each site and the Purchaser's rules and regulations and procedures with which the Supplier must familiarise itself prior to commencing performance of the Contract.

14.2 Any breach of this clause by any person working on behalf of the Supplier may lead to expulsion and barring of the person who committed the breach, without prejudice to the Purchaser's option to terminate this Contract for such breach.

15 -No waiver

No waiver by the Purchaser of any breach of this Contract by the Supplier shall be considered as a waiver of any subsequent breach of the same or any other provision.

16 -Governing law

This agreement shall be construed according to English law and the parties submit to the jurisdiction of the English courts.