

STANDARD TERMS AND CONDITIONS OF PURCHASE

These terms and conditions ("Conditions") apply to all transactions for the supply of any products and/or services ordered by or to be supplied to Plastipak Iberia, SL. (Company number: NIF: B66460775) whose registered office is Avda de la Constitucion, Parcelas 290-293, Poligono Industrial Monte Boyal, 45950 Casarrubios del Monte, Spain or by or to any subsidiary company of Plastipak Iberia, Srl. ('subsidiary' having the meaning given to it by section 1159, Companies Act 2006) ("Buyer").

1 DEFINITIONS AND INTERPRETATION

1.1 In these Conditions unless the context requires otherwise the following words have the following meanings:

"Contract" any contract between the Buyer and the Supplier for the purchase of Goods and/or supply of Services incorporating these Conditions, the Supplier Complaints Procedure (if applicable to the Goods in question) any applicable Specification and the Order and including any special terms and conditions agreed in writing between the Buyer and the Supplier.

"Goods" any products ordered by the Buyer from the Supplier or to be supplied by the Supplier to the Buyer (including any instalment of the Goods or any part of them and any products and/or materials used in the performance of Services in which ownership is intended to pass to the Buyer once the Services have been performed).

"Order" the order placed by the Buyer on the Supplier for the purchase of the Goods and/or provision of the Services to which these Conditions are annexed.

"Price" the price of the Goods and/or the charge for the Services.

"Services" the services and/or work to be performed by the Supplier for the Buyer as described in the Order.

"Specification" the quality and/or description of the Goods and Services as set out in the Order or as agreed in writing between the parties including but not limited to any plans, drawings, data, samples, patterns or other information relating to the Goods or Services.

"Supplier" the person, firm or company to whom the Order is addressed or from whom the Buyer purchases the Goods and/or Services.

"Supplier Complaints Procedure" the Buyer's procedures for evaluating the Supplier's performance in relation to the supply of specified key materials, a copy of which has been provided to the Supplier and may be amended from time to time.

"VAT" value added tax and any such tax amending or replacing the same or the equivalent taxation in the relevant jurisdiction.

"Working Days" any day which is not a Saturday, Sunday or statutory public holiday in Spain.

1.2 A reference to writing or written includes faxes and e-mails.

1.3 Reference to any statute or statutory provision includes a reference to the same as amended, re-enacted, consolidated or extended and all subordinate legislation made pursuant to it.

1.4 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2 BASIS OF PURCHASE

2.1 The Order constitutes the Buyer's offer to the Supplier to purchase the Goods and/or Services on these Conditions.

2.2 The Order shall become binding upon the earlier of either the Supplier issuing unconditional written acceptance or the Supplier performing any act consistent with fulfilling the Order, at which date the Contract shall come into existence.

2.3 These Conditions shall apply to the Contract to the exclusion of any other terms the Supplier seeks to impose or incorporate (including on any quotation or acceptance), or which are implied by trade, custom, practice or course of dealing.

2.4 If there is any conflict in meaning between the documents which form this Contract, the parts of this Contract shall prevail and take priority in the following order:

2.4.1 the Order;

2.4.2 the Specification;

2.4.3 any special conditions agreed in writing or set out in a supply agreement;

2.4.4 these Conditions; and

2.4.5 the Supplier Complaints Procedure.

2.5 No variation to the Order or these Conditions shall be binding unless agreed in writing with the authorised representative of the Buyer.

2.6 All of these Conditions shall apply to the supply of both Goods and Services except where the application to one or the other is specified.

3 SPECIFICATION

3.1 The quantity, quality and description of the Goods and the Services shall, subject as provided in these Conditions, be as specified in the Order and/or in any Specification supplied by the Buyer to the Supplier or agreed in writing by the Buyer. Where a particular standard or performance is specified for the Goods they shall conform to such performance standard. Where no particular standard of performance is specified the Goods shall comply with the relevant current Standard Specification applicable to the United Kingdom as authorised from time to time by the British Standards Institute or the International Standards Organisation and/or with any relevant trade practice applicable in the United Kingdom.

3.2 The Supplier acknowledges that conformity with the Specification is a condition of the Contract and the Buyer shall be entitled to reject any of the Goods and Services which are not in conformity with the Specification.

3.3 Any Specification supplied by the Buyer to the Supplier, or specifically produced by the Supplier for the Buyer, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in all Specifications shall be the exclusive property of the Buyer.

3.4 The Supplier shall comply with all applicable regulations or other legal requirement concerning the manufacture, packaging, storage and delivery of the Goods and the performance of the Services. Any quality or Specification control procedure necessary to comply with the Order shall be carried out by the Supplier and the Supplier shall provide the Buyer with details of such procedures and notice in advance of any changes to procedures or manufacturing process.

3.5 The Supplier shall not unreasonably refuse any request by the Buyer to inspect and test the Goods during manufacture, process or storage at the premises of the Supplier or any third party prior to despatch, and the Supplier shall provide the Buyer with all facilities reasonably required for inspection and testing.

3.6 If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all aspects with the Contract, and the Buyer so informs the Supplier within 5 Working Days of inspection or testing, the Supplier shall take such steps as are necessary to ensure compliance. Inspection and testing by the Buyer shall not relieve the Supplier of any of its obligations under the Contract.

3.7 The Goods shall be marked in accordance with the Buyer's instructions and any applicable regulations or requirements of the carrier. In particular they must be marked with the Order number and sufficient detail to identify the Goods and give clear indications of any hazardous aspects of the Goods. The Goods shall be properly packed and secured at the Supplier's expense to reach their destination in an undamaged condition in the ordinary course.

4 PRICE OF THE GOODS AND SERVICES

4.1 The price of the Goods and the Services shall be as stated in the Order and, unless otherwise stated, shall be:

4.1.1 exclusive of any applicable VAT (which shall be payable by the Buyer subject to receipt of a VAT invoice); and

4.1.2 inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the delivery address and any duties, imposts or levels other than VAT.

4.2 No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in writing.

4.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Supplier, whether or not shown on its own terms and conditions of sale.

5 TERMS OF PAYMENTS

5.1 Invoices shall be received by the Buyer within 30 days following the day on which the Goods were delivered or performance of the Services. Each invoice shall quote the number of the Order, advice notice number and the location to which the Goods were delivered.

5.2 The Buyer shall pay the Price of the Goods and the Services no later than 60 days after the Goods were delivered or the Services were performed (irrespective of whether there is a period of acceptance or verification of said Goods or Services).

5.3 The Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Supplier.

6 DELIVERY

6.1 The Goods shall be delivered and the Services performed at the delivery address, at the time and date and in the manner specified in the Order, or as subsequently agreed between the Buyer and the Supplier. Where the date of delivery of the Goods or of performance of the Services is to be specified after the placing of the Order, the Supplier shall give the Buyer reasonable notice of the specified date.

6.2 The Buyer reserves the right to adjust the specified date of delivery at any time.

6.3 The time of delivery of the Goods and of performance of the Services shall be of the essence of the Contract.

6.4 If the Goods or any part of the Goods are not delivered or the Services are not performed within the time or times specified in the Order the Buyer shall be entitled to terminate the Contract in respect of the undelivered Goods or unperformed Services or in respect of any other Goods already delivered which cannot be effectively and commercially used by reason of the non-delivery of the undelivered Goods and without prejudice to any other rights it may have against the Supplier.

6.5 The Supplier shall not deliver the Goods or perform Services in instalments without the Buyer's prior written consent. If the Goods are to be delivered or the Services are to be performed, by instalments, the Contract will be treated as a single contract and not severable. The Buyer shall be entitled to return to the Supplier at the Supplier's risk and expense any of the Goods already delivered where such Goods are delivered or Services are performed by instalments and the Buyer has exercised its right of termination in Clause 6.4 above. The Supplier shall reimburse the Buyer for any monies paid by the Goods returned to the Supplier together with any additional expenditure incurred by the Buyer in obtaining replacement Goods or Services.

6.6 The Buyer shall be entitled to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent. The rejected Goods shall be returned to the Supplier at the Supplier's risk and expense. The Buyer may require the Supplier within a reasonable time to replace the rejected Goods which are in all respects in accordance with the Contract. The Supplier shall, reimburse the Buyer for any monies paid by the Buyer for rejected Goods not replaced by the Supplier, and any additional expenditure over and above the Price reasonably incurred by the Buyer in obtaining replacement Goods or Services.

6.7 The Supplier shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services.

6.8 The Buyer shall not be obliged to return to the Supplier any packaging or packing materials of the Goods, whether or not any Goods are accepted by the Buyer.

6.9 Each delivery or consignment of the Goods must be accompanied by a detailed advice note stating the Order number, the date and number of the delivery schedule together with identification particulars of the Goods supplied and must be displayed prominently. The Buyer declines any responsibility for Goods sent without an advice note.

6.10 Unless any alternative delivery tolerances are expressly stated in any Order, if the Supplier:

6.10.1 delivers less than 5 per cent of the quantity of Goods ordered, the Buyer may reject the Goods; or

6.10.2 delivers more than 5 per cent of the quantity of Goods ordered, the Buyer may at its sole discretion reject the Goods or the excess Goods, and any rejected Goods shall be returnable at the Supplier's risk and expense. If the Supplier delivers more or less than the quantity of Goods ordered, and the Buyer accepts the delivery, a pro rata adjustment shall be made to the invoice for the Goods.

7 RISK AND PROPERTY

7.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery to the Buyer in accordance with the Contract.

7.2 Without prejudice to any right of rejection which may accrue to the Buyer under the Conditions, ownership of the Goods shall pass to the Buyer upon delivery unless payment for the Goods is made prior to delivery, when it shall pass to the Buyer once payment has been made and the Goods have been appropriate to the Contract.

8 PERFORMANCE OF SERVICES

8.1 In providing the Services, the Supplier warrants to the Buyer that it shall:

8.1.1 perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;

8.1.2 use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with this Contract;

8.1.3 ensure that the Services will conform with all descriptions and Specifications set out in the Order;

8.1.4 provide all equipment, tools and vehicles and such other items as are required to provide the Services;

8.1.5 use the best quality goods, materials, standards and techniques, and ensure that all Goods and materials supplied and used in the Services or transferred to the Buyer, will be free from defects in workmanship, installation and design;

8.1.6 obtain and at all times maintain all necessary licences and consents, and comply with all applicable laws and regulations and not do or omit to do anything which may cause the Buyer to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business; and

8.1.7 observe all health and safety rules and regulations and any other security requirements that apply at any of the Buyer's premises.

9 WARRANTIES

9.1 The Supplier warrants to the Buyer that the Goods:

9.1.1 will be of satisfactory quality and fit for any purpose held out by the Supplier or made known to the Supplier in writing at the time the Order is placed (and in particular if the Goods are to be used for food packaging the Goods shall be fit for that purpose) and will remain so for a period of twelve (12) months from the date of first commercial use of the Goods (but in any event not later than eighteen (18) months after the delivery date);

9.1.2 will be free from defects in design, material and workmanship and remain so for a period of twelve (12) months from the date of first commercial use of the Goods (but in any event not later than eighteen (18) months after the delivery date);

9.1.3 will correspond with any relevant Specification or sample; and

9.1.4 will comply with all statutory requirements and regulations relating to the sale, manufacture, labelling, packaging, storage, handling and delivery of the Goods.

9.2 The Supplier warrants to the Buyer that the Services will be performed by appropriately qualified personnel, with due care and diligence and to such a high standard as it is reasonable for the Buyer to expect in all the circumstances.

10 PRODUCT RECALL

10.1 Each party shall comply with the reasonable instructions of the other in connection with any product recall initiated by either party or any third party in connection with the Goods.

10.2 If the Supplier is found to have caused a product recall as a result of the Supplier's breach of Contract including but not limited to the delivered Goods not complying with the undertakings set out in this Contract, the Supplier shall bear the full costs of undertaking such product recall exercise, unless it is able to establish by means of written evidence that any act or default of the Buyer has contributed to the product recall exercise in which case it will bear a fair and reasonable percentage share of such costs.

11 SUPPLIER COMPLAINTS PROCEDURE

11.1 If the Goods are of the type described in the Supplier Complaints Procedure then the Supplier undertakes to deliver the Goods, and agrees to be evaluated and scored as to its performance in relation to the supply of the relevant Goods, against the criteria indicated in and in accordance with the Supplier Complaints Procedure.

11.2 The Supplier acknowledges that in the event of its performance being scored in the identified bands below the desired ninety-five per cent (95%) score that the Buyer shall have the remedies specified in accordance with those bands as set out in the Supplier Complaints Procedure, without limiting any of its other rights or remedies as set out in these Conditions.

12 BUYER'S REMEDIES

12.1 If the Supplier fails to deliver the Goods and/or perform the Services by the applicable date, the Buyer shall, without limiting its other rights or remedies, have one or more of the following rights:

12.1.1 to terminate the Contract with immediate effect by giving written notice to the Supplier;

12.1.2 to refuse to accept any subsequent performance of the Services and/or delivery of the Goods which the Supplier attempts to make;

12.1.3 to recover from the Supplier any costs incurred by the Buyer in obtaining substitute goods and/or services from a third party;

12.1.4 where the Buyer has paid in advance for Services that have not been provided by the Supplier and/or Goods which have not been delivered by the Supplier, to have such sums refunded by the Supplier; and

12.1.5 to claim damages for any additional costs, loss or expenses incurred by the Buyer which are in any way attributable to the Supplier's failure to meet such dates.

12.2 Unless otherwise expressly stated in the Order, if the Goods are not delivered by the applicable date, the Buyer may, at its option, claim or deduct one and a half per cent (1.5%) of the price of the Goods for each week's delay in delivery by way of liquidated damages, up to a maximum of five percent (5%) of the total price of the Goods. If the Buyer exercises its rights under this Clause 12.2 it shall not be entitled to any of the remedies set out in Clause 12.1 in respect of the Goods' late delivery.

12.3 If the Supplier has delivered Goods or provided Services that do not comply with the undertakings set out in this Contract, then, without limiting its other rights or remedies, the Buyer shall have one or more of the following rights, whether or not it has accepted the Goods or Services:

12.3.1 to reject the Goods or Services (in whole or in part) whether or not title has passed and to return the Goods to the Supplier at the Supplier's own risk and expense;

12.3.2 to terminate the Contract with immediate effect by giving written notice to the Supplier;

12.3.3 to require the Supplier to repair or replace the rejected Goods or perform again the Services within 5 Working Days of receiving written notice to do so in which case the warranties provided under these Conditions shall apply to the repaired or replacement Goods or Services for the applicable period running from the date of repair or replacement, or to provide a full refund of the price of the rejected Goods or Services (if paid);

12.3.4 to refuse to accept any subsequent delivery of the Goods or performance of the Services which the Supplier attempts to make;

12.3.5 to recover from the Supplier any expenditure incurred by the Buyer in obtaining substitute goods or services from a third party; and

12.3.6 to claim damages for any additional costs, loss or expenses incurred by the Buyer arising from the Supplier's failure to supply Goods or Services in accordance with this Contract.

12.4 The Supplier shall indemnify and keep indemnified the Buyer in full against any and all liability (whether direct, indirect or consequential in nature), loss, damages, costs and expenses (including legal expenses) awarded against, incurred or paid by the Buyer as a result of or in connection with:

12.4.1 any claim that the Goods infringe, or their manufacture, importation, use or resale, infringes the patent, copyright, design right, trade mark or other intellectual property rights of any other person except to the extent that the claim arises from the compliance with any Specification supplied by the Buyer;

12.4.2 any claim made against the Buyer by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in Goods, to the extent that the defect in the Goods is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and

12.4.3 any claim made against the Buyer by a third party arising out of, or in connection with, the supply of the Goods or Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors.

13 INSURANCE

13.1 During its performance of the Contract and for a period of two (2) years afterwards the Supplier shall maintain in force with reputable insurance companies adequate insurance to cover its potential liability to the Buyer under this Contract

13.2 On the Buyer's written request, the Supplier shall provide the Buyer with copies of the insurance policy certificates and details of the cover provided.

13.3 The Supplier shall ensure that any subcontractors also maintain adequate insurance having regard to the obligations under this agreement which they are contracted to fulfil.

13.4 The Supplier's liability under this Contract shall not be deemed to be released or limited by the Supplier taking out the insurance policies referred to in Clause 13.1.

14 CHANGES

14.1 The Buyer shall have the right by reasonable written notice to the Supplier to change the nature of any Goods or Services covered by the Contract, including any Specification, or the time, method or place of delivery.

14.2 If the Buyer exercises the right set out in Clause 14.1 above, the Supplier shall proceed promptly to make the changes in accordance with the terms of the notice.

14.3 If any such change causes an increase or decrease in the Price or in the time required for the performance of the Contract an equitable adjustment shall be negotiated promptly and the Contract shall be modified in writing accordingly.

14.4 The Supplier shall deliver to the Buyer as promptly as possible, and in any event within 10 Working Days after receipt of the Buyer's notice, a statement showing the effect of any such change in the delivery dates and the Price.

15 CANCELLATION

15.1 The Buyer shall be entitled to cancel any Order in respect of all or part only of the Goods and/or the Services for any reason whatsoever by giving notice to the Supplier at any time prior to delivery or performance, in which event the Buyer's sole liability shall be to pay to the Supplier the Price for the Goods or Services in respect of which the Buyer has exercised its right of cancellation, less the Supplier's net saving of costs arising from cancellation.

15.2 The Buyer shall not be liable for any loss or damage including consequential or indirect loss or damage suffered by the Supplier or any third party as a result of such cancellation.

15.3 Cancellation pursuant to Clause 15.1 shall be without prejudice to any liability of the Supplier to the Buyer.

16 BUYER'S PROPERTY

16.1 All patterns, dies, moulds, tooling, drawings or materials supplied by the Buyer or prepared or obtained by the Supplier for and at the sole cost of the Buyer (the "Buyer's Property") shall be and remain the sole property of the Buyer.

16.2 The Supplier shall maintain the Buyer's Property in good order and condition and insure it against all risks whilst in its custody.

16.3 On completion of the Contract (or otherwise as directed by the Buyer), the Supplier shall return the Buyer's Property to the Buyer in good order and condition subject to fair wear and tear.

16.4 Should the Supplier fail so to return the Buyer's Property the Buyer may either withhold payment until it is so returned or withhold such part of the payment due as may be required to replace the Buyer's Property or to restore it to good order and condition, whichever may be the less expensive.

16.5 The Supplier shall not use or copy the Buyer's Property or authorise or knowingly permit it to be copied or used by anyone else, for or in connection with, any purpose other than the supply of the Goods to the Buyer.

17 TERMINATION

17.1 The Buyer shall be entitled to terminate the Contract without liability to the Supplier by giving notice to the Supplier at any time if:

17.1.1 the Supplier commits a material or persistent breach of the Contract and (if such a breach is remediable) fails to remedy that breach within ten (10) Working Days of receipt of notice in writing of the breach;

17.1.2 is declared or becomes insolvent or bankrupt, has a moratorium declared in respect of any of its indebtedness, enters into administration, receivership, administrative receivership or liquidation or threatens to do any of these things, takes or suffers any similar action in any jurisdiction or any step is taken (including without limitation the making of an application on the giving of any notice) by it or by any other person in respect of any of these circumstances (except for the purposes of amalgamation or reconstruction and in such manner that the resulting company effectively agrees to be bound by or assume the obligations imposed on that other party under this Contract);

17.1.3 the Supplier ceases or threatens to cease to carry on business, or

17.1.4 the Buyer reasonably apprehends that any of the events mentioned above is about to occur in relation to the Supplier and notifies the Supplier accordingly.

18 CONFIDENTIALITY

18.1 Neither party shall use and/or disclose any confidential information which is acquired by it about the other party's business and/or given by one party to the other party and/or generated by one party using the other party's confidential information except in the proper performance of this Contract.

18.2 The Order, this Contract and its subject matter shall be treated as confidential by the Supplier and shall not be disclosed or publicised to any third party and the Supplier shall not use the Buyer's name or endorsement without the Buyer's prior written consent.

19 ASSIGNMENT AND SUB-CONTRACTING

19.1 The Supplier shall not without prior written consent of the Buyer assign, transfer or delegate any of its rights, obligations or interest in this Contract (or any part of it).

20 FORCE MAJEURE

20.1 Neither party shall be liable for any delay or failure in performing its obligations under this Agreement as a result of reasons beyond its reasonable control, including but not limited to acts of God, war, flood, fire, riots, civil commotion, malicious damage, explosion, governmental actions and any other similar events. If the event causing such delay or failure continues for in excess of one (1) month this Agreement may be terminated at the option of the party not affected by the event.

21 GENERAL

21.1 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 or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

21.2 No waiver by the Buyer of any breach of the Contract by the Supplier shall be considered as a waiver of any subsequent breach of the same or any other person.

21.3 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 provisions in question shall not be affected thereby.

21.4 The Contract contains the whole agreement between the parties and it supersedes any prior written or oral agreement between them and is not affected by any other promise, representation, warranty, usage, custom or course of dealing. The parties confirm that they have not entered into the Contract on the basis of any representation that is not expressly incorporated into the Contract. Nothing in these Conditions shall exclude liability for any fraudulent statement or act made prior to the date of the Contract.

22 LANGUAGE

22.1 This Contract is drafted in the English language. If this Contract is translated into any other language, the English language text shall prevail.

22.2 Any notice given under or in connection with this Contract shall be in the English language. All other documents provided under or in connection with this Contract shall be in the English language, or accompanied by a certified English translation. If such document is translated into any other language, the English language text shall prevail.

23 THIRD PARTY RIGHTS

23.1 None of the terms and conditions of this Agreement shall be enforceable by any person who is not a party to it.

24 GOVERNING LAW AND JURISDICTION

24.1 The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with, Spanish law.

24.2 The parties agree to submit themselves to the non-exclusive jurisdiction of the Spanish Courts.