

GERFLOR FLOORING UK LIMITED - STANDARD TERMS AND CONDITIONS OF SUPPLY

1. GENERAL

These conditions for the supply of carpets, floor coverings and related articles and items ("Goods") and (as applicable) installation services ("Services") by Gerflor Flooring UK Limited (an English company, no. 12579618) ("Gerflor") govern all orders and contracts with Gerflor for the supply of Goods and/or Services ("Contract") and override any other terms or conditions stipulated, incorporated or referred to by the person, firm or company that has requested any Goods and/or Services ("Buyer"), so that these conditions, except where they are varied by Gerflor in writing, are the only conditions upon which Gerflor supplies Goods and/or Services. For the avoidance of doubt, the Contract shall not constitute a sale by description or sample.

2. CONTRACT FORMATION

Any quotation issued by Gerflor shall not constitute an offer and shall not be binding on Gerflor. Each order or acceptance of a quotation for Goods by the Buyer shall be deemed to be an offer by the Buyer to purchase Goods from Gerflor subject to these conditions. No order shall be deemed accepted by Gerflor until a written acknowledgement of order is issued by Gerflor or (if earlier) Gerflor delivers the Goods or the Services to the Buyer.

3. PRICE, PAYMENT AND OVERSAGE

(3.1) The prices payable for Goods shall be (unless otherwise agreed by Gerflor) in accordance with Gerflor's current list price as at the date of dispatch. Where an order is placed by the Buyer for delivery by instalment the price payable for each instalment shall be in accordance with Gerflor's current list price at the date of dispatch for such instalment, unless prices are otherwise expressly agreed by Gerflor to be fixed for a period. The price for providing the Services shall be as specified in the acknowledgement of order issued by Gerflor or at Gerflor's prevailing list price from time to time.

- (3.2) The prices are exclusive of value added tax which will be charged at the prevailing rate.
- (3.3) The price of delivering the Goods by a single shipment via Gerflor's standard delivery schedule is included in the price for deliveries in mainland UK and Northern Ireland.
- (3.4) Delivery of a single shipment to the Republic of Ireland via Gerflor's standard delivery schedule is included in the price for all orders for Goods in excess of £250.00.
- (3.5) Gerflor is entitled to make an additional charge for delivery outside mainland UK or delivery dates and times specified by the Buyer and agreed by Gerflor, additionally multiple deliveries and site deliveries are subject to additional costs.
- (3.6) Deliveries to any Buyer residential addresses shall be by special arrangement only and are subject to additional costs/surcharges.
- (3.7) The price payable for Orders placed by the Buyer in respect of "manufactured" Goods are as set out in Schedule 2.
- (3.8) The Buyer agrees to pay for any loss or extra cost incurred by Gerflor through the Buyer's instructions or lack of instructions or through failure or delay in taking delivery of the Goods (see sections 9.3 below) or through any act or default on the part of the Buyer, its servants, agents or employees.

4. TERMS OF PAYMENT

- (4.1) Unless otherwise agreed by Gerflor in writing, payment shall be made to Gerflor in pounds Sterling no later than 30 days following the date of invoice, save that payments shall become immediately due upon the occurrence of any of the events referred to in condition 13.2 hereof.
- (4.2) The price of the Goods and/or Services shall be due in full and the Buyer shall not be entitled to exercise any set-off limit or any other similar right or claim.
- (4.3) If Gerflor agrees in writing that the price is payable by instalments or if the Buyer has agreed to take specified quantities of Goods in instalments, the Buyer shall remain liable for the payment of any invoice due to be paid; or (ii) the Buyer fails to take delivery of any commitment of Goods due or ready to be delivered, then in such circumstances the whole of the balance of the price shall become due and payable.
- (4.4) The time of payment of the Contract shall be of the essence. Gerflor reserves the right to suspend provision of the Goods to the Buyer where any amounts are overdue under this Contract or any other contract until all such amounts have been paid. Payment shall be due in respect of each invoice in accordance with condition 4.1, notwithstanding that other instalments of the Goods have not yet been delivered or any other default on the part of Gerflor may have occurred.
- (4.5) Gerflor may at any time appropriate sums received from the Buyer as it thinks fit notwithstanding any purported appropriation by the Buyer.
- (4.6) Without prejudice to any other rights it may have, Gerflor is entitled to charge an interest at 3% per annum above the base rate of the Bank of England from time to time, on overdue payments of the price of the Goods or the price of any instalment thereof.

5. DELIVERY

- (5.1) Gerflor will deliver, or arrange for one of its subcontractors to deliver, the Goods to the address specified in the Order or to such other address as the parties may agree, subject to any applicable charges due under condition 3.3 to condition 3.6 (inclusive). Any applicable installation Services will be performed at the address specified in the Order or at such other address as the parties may agree.
- (5.2) Delivery times will vary depending on the nature of the Goods. All times and dates given by Gerflor for delivery of the Goods and/or Services are approximate only and are given in good faith but without responsibility on Gerflor's part and the Buyer will have no right to damages or to terminate the Contract due to any failure by Gerflor to meet any performance or delivery time stated. Time of delivery, or time of performance of the Services shall not be of the essence of the Contract and Gerflor shall not be liable for any delay beyond its control.
- (5.3) If the Buyer is unable to accept delivery of the Goods within 7 days of Gerflor giving notice that the Goods are ready for delivery, Gerflor may at its sole discretion without prejudice to its other rights: (i) charge the Buyer for storing and insuring the Goods for each full day that all or any instalment of the Goods remain in Gerflor's possession or in Gerflor's subcontractor's possession following the agreed delivery date until the actual date of collection or delivery; and (ii) immediately raise an invoice for the price of the Goods. Storage charges shall accrue at the prevailing daily rates published at any time by Gerflor.
- (5.4) Gerflor shall have the right to make delivery of the Goods by instalment of such quantities and at such intervals as it may determine, and express provision as to instalments in the Contract shall be in addition to and not in derogation of this right. Each instalment shall be a separate Contract and no cancellation or termination of any one Contract relating to an instalment shall entitle the Buyer to repudiate or cancel any other Contract or instalment.
- (5.5) Gerflor warrants that the Buyer must ensure that the "Buyer Premises" is ready to accept delivery of the Goods at the agreed time of delivery and the Buyer must forward Gerflor within a reasonable timeframe prior to the agreed delivery time, if access to the Buyer Premises are restricted in anyway.
- (5.6) Accidental Damage - Gerflor and its subcontractors shall use reasonable endeavors to not cause damage when delivering the Goods. If Gerflor feels the Goods may be damaged, or the Buyer Premises or any Buyer property may be damaged during delivery because of restricted access for any other shall reason, Gerflor shall warn you of that fact and Gerflor will not be under any obligation to deliver the Goods. If Buyer instructs Gerflor to continue to deliver the Goods even though Gerflor has warned Buyer that damage may occur, Gerflor accept no responsibility for any damage that actually occurs at or to the Buyers Premises or any third party property or the Goods during delivery.
- (5.7) Unless agreed otherwise in writing, the Buyer is responsible for providing suitable facilities and access for the Gerflor delivery vehicle and will be responsible for all loss of or damage to the Goods during the course of such unloading as a result of unsuitable facilities or any act/omission of the Buyer during such unloading of Goods. Where the Buyer collects or arranges collection of the Goods from the Gerflor's premises, entry of any vehicle of the Buyer or its agent on to Gerflor's premises will be at the sole risk of the Buyer or its agent, save to the extent that any claim arises from Gerflor's negligence resulting in personal injury or death.
- (5.8) Packaging - The Buyer will be responsible for disposing of any packaging, crates etc. Gerflor Safety Precautions - Gerflor shall not be responsible for unloading of the Goods at the delivery address unless otherwise agreed. The Buyer shall ensure that persons receiving delivery of the Goods are adequately trained in handling heavy loads and any relevant regulatory requirements are adhered to.
- (5.10) Failed Delivery - If Gerflor or its subcontractor attempts to deliver the Goods and it cannot deliver because: (i) no-one is available to take delivery of the Goods at the Buyer's Premises; or (ii) the delivery vehicle cannot gain safe access to the vicinity of the Buyer's Premises; or (iii) the Buyer is not at the vicinity of the Buyer's Premises; or (iv) the Buyer's premises are closed; or the delivery personnel believe damage to the Goods, the Buyer's Premises or property may occur and the Buyer has agreed to stop the delivery, then Gerflor will return the Goods to the Gerflor warehouse while alternative delivery arrangements are made. Gerflor shall be entitled to charge Buyer for redelivering the Goods at a rearranged time and date and shall be entitled to impose storage charges in accordance with conditions 5.3(i) above.

(5.11) Where the Goods are handled by a carrier engaged by the Buyer or to a United Kingdom port for export any such carrier shall be deemed to be Gerflor's agent and not of the Buyer for the purpose of sections 44, 45 and 46 of the Sale of Goods Act 1979.

(5.12) The Buyer agrees that section 32(2) of the Sale of Goods Act 1979 shall not apply to Goods dispatched by Gerflor by a carrier and Gerflor shall not be required to give the Buyer the notice specified in section 32(3) of that Act.

(5.13) Unless otherwise specified in the relevant order, Goods for export shall be delivered to the Gerflor Works or to Gerflor's warehouse, within the meaning given to such term in the International Chamber of Commerce INCOTERMS (as revised from time to time).

(5.14) The Buyer is not entitled to withhold or delay payment of the price if it fails to obtain any import or export license or consent and will pay any additional costs or expenses incurred by Gerflor as a result of any such failure.

6. NON-COMPLIANCE, NON-DELIVERY, LOSS OR DAMAGE DURING TRANSIT.

- (6.1) Gerflor will not be liable for non-delivery, loss or damage to the Goods or for any claim that the Goods are not in accordance with the Contract, or Order unless claims to that effect are notified in writing by the Buyer to Gerflor (and in the case of claims for non-delivery or damage, with a copy to the carrier if Gerflor's own vehicles have not been used to deliver the Goods): (i) within five days of delivery in respect of any claim for loss, damage or non-compliance with the Contract; or (ii) in respect of non-delivery within ten days of the date of the invoice.
- (6.2) In the event of a valid claim for non-delivery, loss, damage or non-compliance, as set out in condition 6.1 above, Gerflor undertakes at its option either to reprocess or replace the Goods at its expense, but shall not be under any further or other liability to any person in connection with such non-delivery, loss, damage or non-compliance.
- (6.3) If the Buyer fails to give notice in accordance with condition 6.1 above, the Goods shall be deemed to be in all respects in accordance with the Contract and without prejudice to earlier acceptance by the Buyer the Goods shall be deemed to have been accepted by the Buyer and the Buyer shall pay for the Goods accordingly.

7. QUANTITIES

(7.1) Quantities of all consignments of Goods and sundry materials as ascertained by Gerflor shall not be binding on the Buyer in writing shall be conclusive unless an irregularity in the written advice thereof is provided.

(7.2) The Buyer shall not be entitled to reject deliveries of the Goods for failure by Gerflor to comply with the quantity provisions. Variations in the total quantity delivered shall be subtracted or added to the Contract as the case may be.

8. CANCELLATIONS AND RETURNS

(8.1) Save as provided in these conditions, Contracts may not be cancelled except by agreement in writing of both parties and upon the payment to Gerflor of such amount as may be necessary to indemnify Gerflor against all loss resulting from the said cancellation. Cancellations or alterations by the Buyer shall not be accepted once the Goods are being manufactured to meet the order, or once the Goods have been cut to the agreed specifications.

(8.2) Where the Goods or Services are delivered by instalments any defect in any instalment shall not be a ground for cancellation of the remainder of the instalments and the Buyer shall be bound to accept delivery thereof.

(8.3) Goods which Gerflor cannot be returned unless: (i) the return date does not exceed 2 months from the date delivered; and (ii) the Buyer notifies its local Gerflor sales manager and credit controller in writing and Gerflor provides written approval that the Goods may be returned. For the avoidance of doubt the following Goods may not be returned by the Buyer: cuts; unpackaged rolls; Goods which are cut or damaged; opened/broken boxes, incomplete boxes; discontinued products; installed products; made to order product and sport rolls that are not standard size. Please note that Gerflor may not give its consent to the return of Goods manufactured to the Buyer's Order and specification if Gerflor deems that the Goods are not suitable for resale, such decision shall be at Gerflor's sole discretion at all times.

(8.4) If Gerflor consents to the return of all or any part of the Goods, they shall be returned to such address as Gerflor may specify, at the Buyer's expense. Gerflor will inspect the Goods on their return and if, following inspection: (i) Gerflor is satisfied that the Goods are in good and marketable condition then Gerflor may at its discretion credit the Buyer for the value of the returned Goods as if they had been sold for the equivalent of the invoice value; (ii) the returned Goods are not of the invoice value of the Goods (the "Return Stock Value"). The difference between price of the Goods purchased by the Buyer and the Return Stock Value will cover additional costs incurred by Gerflor by virtue of such return. In the event that the parties cannot agree a suitable value for the returned Goods and Return Stock Value, the Buyer shall collect the Goods from Gerflor; (iii) the returned Goods are not in good and marketable condition or the parties fail to agree a price for the Goods pursuant to 8.3, Gerflor shall notify the Buyer and the Buyer shall collect the Goods within ten days of receiving such notification. If the Goods have not been collected by the Buyer within a ten day period following notification, Gerflor shall be entitled to dispose of the Goods as it sees fit. The proceeds of the sale of any returned Goods shall initially be set off by Gerflor against any indebtedness of the Buyer to Gerflor and any remaining balance shall be paid to the Buyer.

(8.5) Gerflor reserves the right to alter or withdraw at any time any credit granted to the Buyer in the circumstances described in condition 8.4 above.

9. RISK AND TITLE

(9.1) Risk will pass to the Buyer once the Goods leave the Gerflor premises, at which point the Buyer is responsible for all loss, damage or deterioration to the Goods shall be solely responsible for the custody and maintenance of the Goods but, unless otherwise expressly agreed in writing, the Goods shall remain the property until all payments to be made by the Buyer under this Contract and any other Contract between Gerflor and the Buyer and on any other account whatsoever have been made in full and unconditionally, at which point title to the Goods shall pass to the Buyer. Whilst Gerflor's ownership continues the Buyer shall keep the Goods labelled as belonging to Gerflor and separate and identifiable from all other goods in its possession as bailee for Gerflor and shall not attach the Goods to real property without Gerflor's consent.

(9.2) Pending payment of the full purchase price of the Goods pursuant to a Contract, the Buyer shall at all times keep the Goods properly insured against loss or damage by fire, theft and other risks usually covered by insurance in the type of business for which the Goods are for the time being used in an amount at least equal to the balance of the price for the same from time to time remaining outstanding.

(9.3) If the Buyer resells or disposes of any Goods in which title has not passed to the Buyer, such resale or disposal shall (as between Gerflor and the Buyer only) be made by the Buyer as agent for Gerflor. The proceeds of any resale or disposal shall be held on trust by the Buyer in a separate identified account for the benefit of Gerflor.

(9.4) In the event of a failure by the Buyer to pay the price or upon the occurrence of any of the events set out in condition 13.2, Gerflor shall have power to re-sell the Goods, such power being additional to (and not in substitution for) any other power of sale arising by operation of law or implication or otherwise and for such purpose Gerflor and its servants and agents may forthwith: (i) enter upon any premises or land occupied or owned by the Buyer to remove the Goods which the Buyer hereby authorises; or (ii) require the Buyer to deliver up all or any part of the Goods to Gerflor.

10. INFRINGEMENT OF THIRD PARTY RIGHTS

(10.1) Gerflor warrants that insofar as it is aware, the Goods and/or Services (as applicable) shall not infringe any third party's intellectual property rights.

(10.2) If at any time the Buyer or its servants or agents infringe the rights of any third party or if in Gerflor's reasonable opinion such an allegation is likely to be made, Gerflor may at its option and its own cost: (i) modify or replace the Goods or re-perform the Services in order to avoid the infringement; or (ii) procure for the Buyer the right to continue using the Goods or benefit from the Services; or (iii) repurchase the Goods at the price paid by the Buyer less depreciation at the rate Gerflor applies to its own assets and equipment.

(10.3) Any claim for loss or damage or other reasonable professional costs and expenses suffered, or incurred by Gerflor in connection with any claim made against Gerflor for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with Gerflor's use in carrying out any work required to be done on or to the Goods or in relation to the Services in accordance with the Buyer's requirements or specifications, which give rise to any infringement or alleged infringement of the rights of any third party.

(10.4) Gerflor or its employees or agents design Goods pursuant to a commission from the Buyer (whether for the Buyer or otherwise) or intellectual property rights created in relation to such Goods shall vest in Gerflor and the Buyer shall do or procure the doing of all such further acts and execute or procure the execution (as a deed or otherwise) of all such documents as may from time to time be necessary to give full effect to this condition 10.5.

11. WARRANTIES

(11.1) The Buyer shall have the benefit of the product warranty provided to the Buyer by Gerflor in writing upon the Buyer's request ("Product Warranty") which are applicable to the Goods at the time of purchase, for the specified warranty periods and are subject to any terms and conditions or exclusions contained therein. Further details in respect of the Product Warranty(s) are available upon request.

(11.2) Any warranty by the Buyer under the Contract is subject to the following conditions:

(11.2.1) The Buyer shall have the benefit of the warranty given in condition 11.1 above must be notified to Gerflor within one month of discovering the defect, after which Gerflor shall have no liability to the Buyer;

11.2.2 except as set out in this condition 11 and the general warranty exclusions set out in Schedule 1 and any Product Warranty, all conditions, warranties and representations, expressed or implied by statute, common law or otherwise, in relation to the supply, non-supply or delay in supplying the Goods and Services are excluded to the extent permitted by law.

12. LIABILITY

(12.1) Gerflor shall not be liable for a defect in the Goods caused by abnormal or unsuitable conditions of storage or use, an act, neglect or default of the Buyer or a third party.

(12.2) Gerflor shall not be liable for a defect in the Goods unless it is notified to Gerflor in writing within 12 months of the date of the complaint or the complaint can be proved or damage has been caused by improper installation, improper cleaning or any other such abuse.

(12.3) Nothing herein shall impose any liability upon Gerflor in respect of any defect in the Goods or Services arising out of the acts, omissions, negligence or default of the Buyer's servants or agents including in particular but without prejudice to the generality of the foregoing any failure by the Buyer to comply with any of Gerflor's recommendations as to the storage and handling of the Goods.

(12.4) Subject to the provisions in condition 12.7 below, Gerflor is not liable to the Buyer in contract, tort (including negligence or breach of statutory duty) or otherwise for any of the following losses or damages, whether direct or indirect, arising out of, or in connection with, the supply, non-supply or delay in supplying the Goods or Services or otherwise in connection with this agreement: (i) loss or damage incurred by the Buyer as a result of third party claims; (ii) loss of actual or anticipated profits; (iii) loss of business opportunity; (iv) loss of anticipated savings; (v) loss of goodwill; (vi) injury to reputation; or (vii) any indirect, special or consequential loss or damage howeversoever caused or arising from the use of the Goods by the Buyer. Gerflor strongly advises you to insure against all such potential loss, damage, expense or liability.

(12.5) Subject to conditions 12.4 and 12.7, Gerflor' entire liability arising out of or in connection with the supply, non-supply or delay in supplying the Goods and their installation, or otherwise in connection with this Contract, whether in contract, tort (including negligence or breach of statutory duty) or otherwise, is limited to an aggregate figure of 150% of the value of the price of this Contract.

(12.6) Subject to conditions 12.4 and 12.7 but notwithstanding condition 12.5, Gerflor' entire liability in contract, tort (including negligence or breach of statutory duty) or otherwise for loss or damage to the Buyer's tangible property resulting from Gerflor's negligence is limited to an aggregate figure of £500,000.

(12.7) Nothing in this agreement shall operate to exclude or restrict Gerflor's liability for: (i) death or personal injury resulting from negligence; (ii) breach of the obligations arising from section 12 of the Sale of Goods Act 1979 and section 2 of the Supply of Goods and Services Act 1982; or (iii) fraud or deceit.

(12.8) Nothing in this agreement shall operate to exclude or restrict the Buyer's liability for death or personal injury resulting from negligence.

13. DEFAULT OR INSOLVENCY OF BUYER

- (13.1) On or at any time after the occurrence of any of the events in condition 13.2, Gerflor may: (i) stop any Goods in transit; (ii) suspend further deliveries to the Buyer; (iii) exercise its rights under condition 9; and terminate any Contract forthwith by giving notice to that effect to the Buyer.
- (13.2) The events are: (i) the Buyer being in breach of any obligation under any Contract; (ii) a meeting being convened, a petition presented, an order made, an effective resolution passed, or notice given for the Buyer's winding up or dissolution (other than for the sole purpose of amalgamation or reconstruction); or (iii) an application being made or resolved to be made by any meeting of the Buyer's directors or members, for an administration order in relation to it or

any party gives or files notice of intention to appoint an administrator of it or such an administrator being appointed; or (iv) an encumbrancer taking possession, or a receiver or manager or administrative receiver being appointed, of the whole or any part of the Buyer's assets; or (v) the Buyer ceasing or suspending payment of any of its debts or being unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986; (vi) a proposal being made for a composition in satisfaction of the Buyer's debts or a scheme or arrangement of its affairs including a voluntary arrangement within the meaning of part 1 of the Insolvency Act 1986; (vii) the Buyer being wound up into an arrangement, compromise or composition in satisfaction of its debts with creditors; (viii) the making of a bankruptcy order against the Buyer; (ix) the Buyer fails to approve forthwith any plans, specifications or other matters submitted to the Buyer for such approval; or (x) any analogous event to (i) - (viii) above occurring in any jurisdiction.

(13.3) On termination of a Contract pursuant to condition 13.1, any indebtedness of the Buyer to Gerflor shall become immediately due and payable and Gerflor is relieved of any further obligation to supply Goods to the Buyer pursuant to the Contract

14. REPRESENTATIONS

Each of the parties acknowledges and agrees that in entering into this Contract it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) other than as expressly set out in this Contract. The only remedy available to either party in respect of any such statement, representation, warranty or understanding shall be for breach of contract under the terms of this Contract.

15. FORCE MAJEURE

Gerflor shall be entitled without liability to delay or cancel delivery or to reduce the amount delivered if it is prevented from, or hindered in, or delayed in manufacturing, obtaining or delivering Goods by normal routes or means of delivery through any circumstances beyond its control including but not limited to strikes or other industrial disputes, lock-out, pandemics, epidemics, accidents, war, acts of God, flood, fire, adverse weather conditions, terrorism, riot, civil commotion, acts of government or a reduction in or unavailability of raw materials from normal sources of supply, but for the avoidance of doubt nothing shall excuse the Buyer from the payment provisions under these conditions.

16. THIRD PARTIES

A person who is not party to a Contract shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such Contract. This condition does not affect any right of remedy of any person which exists or is available otherwise than pursuant to that Act.

17. ASSIGNMENT AND SUB-CONTRACTING

Gerflor may assign or sub-contract the whole or any part of the Contract thereof to any person, firm or company without the consent of the Buyer. The Buyer may not assign or in any way deal with all or part of the benefit its rights or benefits under a Contract without Gerflor's prior written consent

18. WAIVER

Any failure or delay by Gerflor in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract. Any waiver by Gerflor of any breach of, or any default under, any provision of the Contract by the Buyer shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.

19. LAW AND JURISDICTION

The Contract shall in all respects be governed by the law of England and Wales and the Buyer and Gerflor agree to the exclusive jurisdiction of the English Courts.

Schedule 1

Exclusions from the Warranties applicable to all Goods

The below exclusions are in addition to any exclusions under a Product Warranty provided by Gerflor to the Buyer upon request.

- The Buyer shall be responsible for ensuring the surface upon which the Goods are to be installed are suitable and appropriately prepared. Gerflor shall have no liability for any damage to or defects in the Goods caused by the installation of the Goods on an unsuitable and/or unprepared surface.
- Failure by the Buyer to follow Gerflor's oral or written instructions as to the installation, use and maintenance of the Goods and/or in accordance with good industry practice.
- Use of the Goods for a purpose other than its intended purpose.
- The exposure of the Goods to fire, explosion, exceptional weather conditions, floods, or natural disasters.
- Defective installation.
- Damage due to the absence of appropriate protective covering.
- Damage caused by the installation or moving of furniture without adequate protection of the Goods (e.g. plastic or felt protection).
- Stains, scratches, splashes, burns or any other markings caused by the Buyer or a third party.
- The defect arises as a result of fair wear and tear, willful damage, negligence, or abnormal storage or working conditions.
- Damage caused by sharp, cutting or piercing materials, or due to stains, cuts, scratches, crushing, grooves, scrapes, perforations, tears and punching caused by loads in excess of the specified static load limitation;
- Buyer Drawings and Specifications** - Gerflor shall not be liable for imperfect Goods or Services caused by inaccuracies in any drawing bills of quantities or specifications supplied by the Buyer.
- Colour Matching** - Due to the manufacturing process the colour of the Goods may vary between dye lots or different batches. Gerflor will not be liable to the Buyer for slight differences in colour or tone of the Goods unless the Buyer expressly states in the order that the Goods must be an exact colour match.
- Pattern Matching on carpet Goods** - Geometric designs are subject to pattern lines due to sharp angle changes in pile direction. Such lines repeat at intervals and are not considered manufacturing defects. Perfect pattern alignment cannot be guaranteed. Whilst precautions are taken for pattern matching in manufacturing to produce a dimensionally straight pattern, this is not guaranteed. Installers must exercise care to minimise any alignment problems.
- Installation** - Gerflor accepts no liability for defects in the Goods caused by a failure to install the Goods in accordance with Gerflor's installation instructions, where Gerflor has not provided the installation Services.
- Tolerances** - Whilst every effort is made to manufacture the Goods to the agreed dimensions, due to the nature of the Goods, some variations are unavoidable. Gerflor shall not be liable to the Buyer for any variation between the Goods and the agreed dimensions falling within the applicable manufacturing tolerance (further information in respect of applicable tolerances is available upon the Buyer's reasonable request). Any claim by the Buyer that the Goods exceed such manufacturing tolerance will only be considered by Gerflor after the Goods have been inspected by Gerflor's representative.
- Discoloration** - Gerflor accepts no liability for normal discoloration or fading of the Goods due to soiling and cleaning procedures. Gerflor does not warrant or guarantee any approved use with the Goods. The Goods should be carefully maintained by the Buyer to minimise any discoloration.
- Goods manufactured with natural products such as wood will vary in colour, shade and/or grain all of which are characteristic of the material. In time, natural products may fade through exposure to sunlight.
- Shading** - Due to the severe loading of weight on a small area, carpets and other types of flooring are susceptible to damage from the use of high heels or other types of unsuitable shoes. Gerflor accepts no liability for damage or the impaired performance of the Goods, where the Goods have been damaged by the use of such shoes.
- Care and Maintenance** - To prolong the life and the performance of the Goods the Buyer should take care to follow industry standard care and maintenance procedures. Gerflor shall at the Buyer's request provide the Buyer with a maintenance guide setting out Gerflor's recommended care procedures. Gerflor recommends the use of Gerflor (and Gerflor group companies) barrier matting systems at external entrances and in areas of heavy or commercial use to preserve the condition of Goods. Gerflor will not be liable to the Buyer for defects in the Goods arising from a failure to follow the recommended care procedures.
- Pile Reverse / Reversal and Shading on carpet Goods** - Cut pile yarn carpets can develop pile reversal in certain environments. Manufactured carpet pile lies uniformly, in one direction, however, reasons unknown, permanent changes to the direction of the carpet pile can occur. This phenomenon causes a permanent change in the appearance of the carpet due to the way light is reflected off the tips and the sides of the yarn because the pile lies in different directions. As a result certain Goods may exhibit shading with patches of light and dark areas. Various terms are used to describe the appearance of the light and dark areas including "watermarking", "shading" and "pooling". Pile reversal and shading is not caused by a defect in the materials or the manufacturing processes used to create the carpet and does not affect the long term durability of carpets. In common with standard industry practice, Gerflor does not accept any liability if the Goods display shading or pile reversal and the Buyer shall not be entitled to reject the Goods in such circumstances.
- Changes in, or the introduction of new, statutory, legal, or regulatory requirements which have effect following the Product Warranty start date.

Schedule 2

Manufactured Goods

- The price payable by the Buyer for Goods which include carpets and other floor covering manufactured in respect of rolls, shall be equal to an exact roll length (or a multiple thereof) and will be charged at the full roll price.
- Where an Order (or part of the order) is for a length that is less than a standard roll length, then Gerflor will charge a cut length price for those length(s) that are less than a standard roll length to accommodate increased production costs.
- Additional surcharges will apply as follows:
 - a) a small order surcharge of £35.00 for orders under £300.
 - b) a pro-forma administration charge of £35.00 will apply to each transaction.
- A "Special Order" means a Contract for customised Goods, or Goods that are not listed in Gerflor's current standard product list available upon request.
- If the quantity of Goods manufactured to the requirements of a Special Order exceeds the quantity specified, then notwithstanding the Product Warranty provided by Gerflor at the time of purchase, the Buyer agrees to pay production overage charges on the excess production calculated on the price per square metre basis specified in the Special Order.