

TERMS AND CONDITIONS OF CONTRACT

The purchaser should note that the terms and conditions set out below form the basis of the contract between the Company and its customers.

Definitions

1. In these terms and conditions the following expression shall bear the following meanings:
 - a) “the Company” means Socks Direct Ltd.
 - b) “the Goods” means all or any part (as appropriate) of the items specified overleaf as being the subject matter (or part thereof) of this contract (including any installments of any goods);
 - c) “the Purchaser” means the person to whom this acknowledgement is addressed and shall include
 - (i) Any other person(s) to whom the invoice or invoices issued pursuant to this acknowledgement s/are addressed; and
 - (ii) The successors in title to the person to whom this acknowledgment is addressed or to any other such person aforesaid;
 - d) “the Consignee” means the person to whom the Goods are to be delivered in accordance with the details set out or any other person to whom the Company agrees to deliver the goods;
 - e) “Person” includes any one or more individuals, partnerships, limited or unlimited companies or any other body of persons or any combination thereof; and where appropriate references to the singular shall include the plural and vice versa and words connoting any gender shall include each other gender.

INCORPORATION OF TERMS

2. a) Acceptance of the Company’s quotation on the placing of an order with the Company incorporates the acceptance of these terms and conditions and all other terms and conditions whether imposed by statute or otherwise are excluded insofar as the law permits and in particular these terms and conditions shall prevail over any standard terms and conditions submitted or proposed by the Purchaser at any time,
 - b) No order will be considered to be binding until it is officially accepted by the Company in writing and the Company has received satisfactory credit clearance of the Purchaser (if required by the Company).

REPRESENTATIONS WARRANTIES AND DESCRIPTIONS

3. Unless details of the same are set out overleaf the Purchaser acknowledges and confirms that he has not entered into this contract or been included to do so on the basis of any representation whatsoever whether expressed or implied concerning the Goods or any other matter whatsoever. No agent, employee or servant of the Company other than a director of it has any authority, whatsoever, to make any representation relating to the Goods.
4. Unless set out overleaf, no express warranty concerning the state, condition or quality of the Goods is or has been given by or on behalf of the Company to the Purchaser.
5. If the purchaser has had a reasonable opportunity to examine the Goods prior to the date of this contract, the Company shall be entitled to assume that the Purchaser has relied entirely on such examination to the exclusion of all descriptions, warranties or representations expressed or implied relating to the Goods and the Purchaser shall be deemed to accept and agree to take the Goods as he finds them.
6. Unless the purpose, process or market for or in which the Goods are used by the Purchaser is referred to overleaf then the Company shall be entitled to assume that the Goods are not intended to be used for or in any purpose, process or market other than their normal and usual purpose, process or market and no

warranty on the part of the Company to the effect that the Goods are fit for any particular purpose, process or market other than their normal and usual purpose, process or market shall be implied.

7. Unless any sample or pattern of the Goods which has been shown to the Purchaser is referred to overleaf the Goods are sold by description in accordance with the description set out overleaf which is deemed to be the correct entire description of the Goods and the Company shall have complied with its obligations hereunder if 90% of the items actually supplied comply substantially with the description overleaf. Where a sample or pattern which has been shown to the Purchaser prior to the date hereof is referred to overleaf the Goods are sold by reference to the sample or pattern and the Company shall be complied with its obligations hereunder if 90% of the items actually supplied are substantially the same as the sample or pattern. Provided that, whether the sale is by description or by sample, minor or customary manufacturing or trade tolerances in quality weight length width finish shade colour or handle or other minor variations shall be allowed.
8. Where the Goods or elements thereof originate outside the United Kingdom, they are sold and supplied hereunder as being of a standard and quality which is no higher than the normal or usual standard or quality of manufacture of such Goods in their Country of origin.

PURCHASER'S INSTRUCTIONS

9. Where the Goods are supplied by the Company in accordance with the Purchaser's instructions as to design, quality, pattern, print or other matter or incorporating one or more components specified by or on behalf of the Purchaser the Purchaser warrants that such instructions will not lead the Company to infringe any third party's registered design, trademark, getup, copyright, letters, patent or other rights shall indemnify and keep indemnified the Company against all costs, claim, loses, expenses and liabilities (including legal and other professional fees incurred in relation thereto) arising directly or indirectly from any such alleged infringement.

DELIVERY

10. The date or time of delivery of the Goods specified in this acknowledgement or otherwise agreed between the Company and Purchaser shall not be of the essence of this contract and unless otherwise specified overleaf the Goods may be delivered in more than one consignment.
11. All deliveries must be taken up by the Purchaser (or consignee as appropriate) at the time of the actual delivery and any failure to do so shall entitle the Company to charge the Purchaser any interest, insurance, carriage, storage or any other charges or costs arising therefrom and/or to cancel this contract in whole or in part without prejudice to any other right of the Company.
12. Where it is necessary for the Purchaser or its agent to supply particulars or materials or to do any other act (including the provision of satisfactory letters of credit or other documents or references) in order to enable or allow the Company to deliver the Goods or part thereof, The Purchaser shall do so within the time limits specified, or if none within a reasonable time (not more than 3 months from this from the date of this contract) and failure to do so shall entitle the Company to cancel this contract this contract in whole or in part but such cancellation or failure to cancel shall be without prejudice to any other rights of the Company.
13. The Company shall be deemed to have complied with its obligations under this contract if the items actually delivered comprise 10% more or less (or are within any greater margin of customary tolerances as

to quantity) than the amount set out overleaf. The Purchaser shall be bound to accept the quantity of Goods actually delivered within such margin as aforesaid and shall pay for the quantity actually delivered at the contract rate.

14. Unless provision to the contrary is set out overleaf the Purchaser shall be liable to pay the Company a reasonable sum representing the cost to the Company or carriage of the Goods or such part thereof as are delivered in installments.
15. The company shall have complied with all its obligations as to delivery if the Goods are handed over to a person claiming or appearing to represent the Purchaser or the consignee, as appropriate and whether or not the delivery note issued by the Company or the carrier or copy thereof is signed by such person and the Company shall have no further liability or obligation to the Purchaser in respect of proper delivery of the Goods.
16. The Purchaser shall:
 - a) in the case of non-delivery of the Goods notify the Company in writing within 6 days of the date of dispatch and within 4 days of the relevant invoice whichever is the sooner and if the Purchaser is aware of the name of the carrier, inform the carrier in writing of non-delivery within 7 days of the date of dispatch; or
 - b) in the case of damage to or defects in or partial loss or short delivery of the Goods or damage to the packaging, notify the carrier and the Company in writing (otherwise than by a qualified signature on a delivery note) within 3 days of the date of delivery and the Purchaser shall enter an appropriate endorsement on the delivery note and/or receipt to the carrier.
17. If the Goods are to be delivered in installments as detailed than each installment shall be treated as a separate contract between the company and the Purchaser on the same mutatis mutandis as set out herein and defaults in relation to one or more installments, however serious, shall not entitle the Purchaser to cancel any other installments.

RISK

18. Goods supplied under this contract shall be at the Purchaser's risk immediately on delivery to the Purchaser or to his order or to the Consignee and the Purchaser shall provide insurance cover for the Goods from that time. The Purchaser shall ensure that such insurance shall cover the Company's interest in the Goods and the Purchaser agrees to hold, in a separate bank account all monies paid under such insurance and to pay the same (or the appropriate of the same) to the Company on demand.

TITLE

19.
 - a) Property in any Goods supplied by the Company to the Purchaser shall remain vested in the Company until payment for the Goods so supplied shall have been made by the Purchaser in full or until such time as the Purchaser shall have sold such goods in accordance with Condition 19b below:
 - b) The Purchaser is hereby appointed as the Company's agent but only insofar as is necessary to enable the Purchaser to pass title in the Goods to a bona fide purchaser upon sale at a normal commercial price and on condition that the proceeds of sale shall be held by the Purchaser in a separate bank account on trust to pay to the Company all monies due from the Purchaser to the Company in respect thereof.

- c) The Purchaser shall if so requested by the Company assign to the Company all rights the Purchaser may have against any subsequent purchaser for payment for the Goods and any other rights and claims against such a purchaser in connection therewith.
- d) So long as the Company retains property in the Goods, the Company shall have the right, without prejudice to any obligations of the Purchaser to purchase the Goods, to re-take possession of the Goods, and for that purpose to go upon any premises occupied by the Purchaser.
- e) Where goods are supplied by the Company to the Purchaser under a number of separate invoices the following additional provisions will apply:
 - i) The Purchaser shall be presumed to sell goods for which payment has been sold
 - ii) Where the Purchaser mixes goods for which payment has been made with identical goods for which payment has been made, the Company, shall be entitled to nominate any items of the mixed goods as being items shall be conclusively presumed to be items in respect of which payment has not been made and in which title remains vested in the company.

PAYMENT

- 20. The terms of payment stated shall be of the essence of this contract and any discount offered shall only be available if payment of the whole amount is made within the discount period specified overleaf. Except in the case of payments due immediately on the signing of an order or where payment has been agreed by stages, all accounts must be paid in full, not later than 30 days from the date of the invoice.
- 21. Without prejudice to any other remedies of the Company for late payment and irrespective of whether payment has been formally demanded, the Purchaser shall be liable to pay the Company interest in respect of late payment at the rate of 4% per annum above the prevailing Bank base rate, such interest to accrue become payable day to day.
- 22. All payments shall be due in Birmingham. Any payments made by the Purchaser to the Company hereunder may be applied by the Company as it deems fit and particular but without prejudice to the generality of the foregoing first towards payments of interest and other charges payable hereunder and then towards payment of the principal due.
- 23. The price is exclusive of any applicable value added tax or any tax of a similar nature which the Purchaser shall be additionally liable to pay the Company.
- 24. The Company reserves the right, by giving notice to the Purchaser, at any time before delivery, to increase the price of the Goods to reflect any increase in the cost to the Company which is due to any factor beyond the control of the Company (such as, without limitation, any foreign exchange fluctuations, currency fluctuations, alteration of dates, increases in costs of labor or raw materials or other costs of manufacture) any change in delivery dates, quantities or specifications for the Goods which are requested by the Purchaser, or any delay caused by any instruction of the Purchaser or failure by the Purchaser to give the Company adequate information or instructions.
- 25. The Purchaser shall be entitled to delay or withhold and claim any set-off against any payment due under this contract, either in respect of any claim or complaint which he have in respect of the Goods or for any other reason whatsoever unless such delay, withholding or set-off is agreed in writing by the Company.

CLAIMS AND RETURNS

- 26) The Purchaser shall examine the Goods thoroughly immediately upon receipt and shall not raise any complaints or claims or be entitled to return any of the goods or to any reduction in the price hereunder in respect of any alleged defects or damage to or unsuitability of the Goods or any other matter whatsoever more than 14 days after the date of the relevant delivery note.
- 27) The Company shall, in its absolute discretion, have the option to exchange defective Goods with Goods conforming to the Contract and shall be given a reasonable time to do so.

- 28) The Purchaser shall be responsible for the insurance and carriage of any part of the Goods which are returned to the Company with any complaint.

LIABILITY AND LIMITATION

- 29) Except in the case of death or personal injury caused by the Company's negligence, notwithstanding anything else contained in this Contract, the Company shall not be liable to the Purchaser for loss of profits or any other indirect or consequential loss whether arising from negligence or breach of contract or howsoever.

LIEN AND CANCELLATION

- 30) Until payment (together with any interest thereon and other charges relative thereto) has been made in full by the Purchaser, the Company shall have a general lien for all such sums over any Goods or materials owned by the Purchaser which are at any time in the possession of the Company. The Purchaser hereby irrevocably appoints the Company to act as its agent in selling any goods or materials subject to the lien as aforesaid at whatever price the Company deems reasonable and at any time after:
- a) The lien has arisen; and
 - b) The Company has given to the Purchaser seven days written notice of its intention to sell and to apply the proceeds of such sale first in the payment of all fees and expenses in relation thereto and secondly towards the reduction or discharge of all sums due from the Purchaser to the Company.
- 31) a) If either:
- (i) The Company shall become aware of any events set out in sub-clause b below; or
 - (ii) Any payment whether of principal or part thereof payable under this Contract or of interest as herein provided or otherwise due from the Purchaser to the Company hereunder shall become due to remain unpaid; or
 - (iii) Where by virtue of condition 17 hereto and any payments (whether of principal or interest or otherwise) under any such contract relating to the Goods or part thereof shall become due to remain unpaid; or
 - (iv) Any payment due from the Purchaser to the Company under any other contract between them (whether of principal interest otherwise) shall or shall have become due and remain unpaid.

Then in any such event the Company shall be entitled in its entire discretion to suspend this contract or subject as mentioned below to treat this contract as wrongfully repudiated by the Purchaser (or in either case such part of this contract as then remains unexecuted) without prejudice to any other remedies of the Company provided that prior to cancelling this contract or such part thereof as remains unexecuted by reason of (i), (iii) or (iv) above, the Company or some person on its behalf shall send to the Purchaser a written demand for payment giving the Purchaser (without prejudice to any accrual of interest) 7 days within which to make the payments demanded.

(b) The events referred to in sub-clause (a) (i) above shall be any of the following events:

- i) The Purchaser being an individual committing an available act of bankruptcy; or
- ii) The Purchaser being a partnership, one or more of the individual members (if any) committing an available act of bankruptcy or any one of more of the corporate members (if any) being in any circumstances referred to in (iii) below; or
- iii) The Purchaser being a Company, a petition being presented for the winding up of the Purchaser or notices being issued to the members and/or creditors of the Purchaser convening meetings of such members and/or creditors for the purpose of considering a resolution for or connected with the winding up of the Purchaser (other than merely for the purpose of reconstruction or amalgamation); or

- iv) The Purchaser making any composition or arrangement with its creditors or a receiver or manager being appointed there for any purpose whatsoever; or
 - v) The Purchaser ceasing or threatening to cease carrying on the business of the Purchaser, or
 - vi) Distress or execution being levied against any of the assets of the Purchaser; or
 - vii) A cheque or bill being issued by the Purchaser not being met by the bank or person on whom such cheque or bill is drawn; or
 - viii) The Company having good reason to believe that the Purchaser is or has or is likely to become unable to pay its debts as they fall due.
- c) If any of the events referred to in sub-clause (b) above shall occur then and in any such case the Company shall be entitled forthwith to enter upon the premises of the Purchaser (or if appropriate the Consignee or any other appropriate party) for the purpose of identifying, marking, retrieving and removing all or any of the Goods or any other Goods at any time supplied by the Company to the Purchaser and which in either case remain wholly or in part of the property of the Company by reason of clause 19 hereof or any similar clause in any other contract between the Company and the Purchaser and this contract shall constitute an irrevocable license by the Purchaser to the Company for such purposes as aforesaid.

- 32) In the event of any suspension or cancellation of this contract or any other action taken by the Company pursuant to condition 31 above, the Purchaser shall reimburse and indemnify the Company with and in respect of all expenses relative thereto (including storage costs, further Interest charges, carriage, and other legal charges and professional fees) and with any loss of profit which the Company shall sustain in connection therewith.

GENERAL

- 33) No delay or failure by the Company to exercise any of its powers, rights or remedies under these terms and conditions shall operate as a waiver of them nor shall any single or partial exercise of any such powers, rights and remedies preclude any other or further exercise of them. The remedies provided in these terms and conditions are cumulative and not exclusive of any remedies provided by law.
- 34) The Company shall not be liable for any failure to fulfill in whole or in part any of its obligations hereunder where such failure is caused or precipitated by any force majeure (including without limitation, any strike lock-out or other industrial action) or other circumstances beyond the reasonable control of the Company and in any such event the Company shall be entitled to suspend, terminate or alter this contract in a reasonable manner by reasonable notice to the Purchaser.
- 35) The headings herein shall not affect the interpretation of these terms and conditions.
- 36) The construction, validity and performance hereof shall be governed by the laws of England and all disputes which may arise under, out of or in connection with or in relation to this contract shall be submitted to arbitration of the London Chamber of Commerce under or in accordance with its rules. The parties hereto agree that the service of any notice in the course of such arbitration at the addresses given overleaf shall be valid and sufficient.
- 37) If any provisions or portions of these terms and conditions are held to be invalid under any applicable statute or rule of law they are to that extent to be deemed to be omitted from the contract and the remainder of the contract shall remain valid.