

TERMS & CONDITIONS

NATURAL ELEMENTS

TERMS & CONDITIONS OF SALE

1.1 In these Conditions of Sale, the "Company" means Natural Elements Ltd, "Customer" means any person, firm or company whose order for goods is accepted by the Company, and the "Goods" means the goods being supplied by the Company and the "Manufacturer" means the manufacture of goods, to which the Company represents and acts as sales representative, dealer or agent, whose products are sold to the "Customer".

1.2 All and any business undertaken by the Company is transacted subject to these Conditions of Sale, each of which shall be deemed to be incorporated in and to be a condition of any agreement between the Company and the Customer. The Customer may only place an order and the Company may only accept an order for Goods which are subject to these Conditions of Sale.

1.3 No agent, servant or employee of the Company has the Company's authority to alter or vary these Conditions of Sale unless confirmed by a director or the company secretary of the Company in writing.

1.4 The Customer entering into a transaction with the Company expressly warrants that it is authorised to accept and accepts these Conditions of Sale not only for itself but also as agent for and on behalf of all other persons who are or may thereafter become interested in the Goods whether in whole or in part.

1.5 These Conditions of Sale shall have precedence over any conditions appearing on the Customer's order form or any other documents emanating from the Customer or its agent and any such Customer's conditions shall have no effect unless expressly accepted in writing by a director or the company secretary of the Company. These Conditions of Sale shall be deemed to be incorporated in all documents emanating from the Company or its agents unless expressly varied in writing.

1.6 Any orders, instructions or requests placed with or given to the Company may in the absolute discretion of the Company be complied with either by the Company or its own servants or agents performing part or all of the relevant services or by the Company instructing or entrusting such services in whole or in part to such third party or parties on such conditions as such third party or parties may stipulate and the Customer accepts that any such conditions shall be binding upon it as if the Customer had directly placed with or given to such third party or parties any such orders, instructions or requests.

2. ACCEPTANCE OF ORDERS

2.1 No order submitted by the Customer shall be deemed to be accepted by the Company unless and until confirmed by the Company in writing and after receipt of Customer's Purchase Order, (and Order Confirmation Form, when requested) completed in full by Customer and sent to the Company's Office.

2.2 The Company reserves the right to reject any and all orders. Where the value of the order would take the Customer over its credit limit granted by the Company, then the Company reserves the right not to accept the order or, if accepted, not to deliver the order until payment is received to bring the Customer's account within its credit limit. The Company reserves the right to vary a Customer's credit limit as the Company shall in its absolute discretion think fit and the Company shall be entitled to refuse to deliver Goods on credit whether an order has been accepted or not, should the Company consider it appropriate in all the circumstances.

2.3 No order which has been accepted by the Company may be cancelled by the Customer except with the agreement in writing of a director or the company secretary of the Company and on terms that the Customer shall indemnify the Company in full against loss (including loss of profit), costs of the Goods, damages, charges and expenses incurred by the Company as a result of the cancellation.

3. CUSTOM ORDERS & SPECIFICATIONS

3.1 Approved custom samples must precede any custom order. Custom sample numbers, design and colour references, pattern repeats and layout plans must be quoted and incorporated on all orders, which must be in writing and also accompanied by the Customer's signed Purchase Order and Order Confirmation Form. Both must be sent to our Customer Support Department when the order is confirmed.

The Customer shall be responsible for ensuring that all necessary drawings, sketches, specifications, descriptions or information in connection with the order and manufacture or sale of any Goods or the supply of any Services shall be supplied to the Company and are accurate and meet the Customer's requirements and the Company shall have no liability whatsoever to the Customer or to any third party in respect of any defect or inaccuracy therein.

3.2 The Customer must accept overage (which will be supplied automatically) on any custom product order, subject to the maximum charges as published in the Company's trade price list, valid at date of acceptance of order.

3.3 No reduction of any custom product orders including print quantities will be accepted by the Company after production has begun or materials have been ordered.

4. QUOTES

Quotes, estimates and/or authorised prices issued by the Company are not capable of acceptance so as to make a binding contract and may be withdrawn or amended by the Company at any time. Tenders and quotations do not constitute an offer and may be withdrawn or varied by the Company at any time prior to the Company's acceptance of a Customer's order. Unless otherwise specified, tenders and quotations shall be deemed to be withdrawn automatically at the expiry of 28 days from their date of issue.

5. WITHDRAWAL AND ALTERATION OF GOODS

5.1 The Company reserves the right at any time without notice to withdraw any Goods from its range or to alter the design specification or manufacture of the Goods. The Company shall not be liable to any Customer for any loss or damage sustained by any Customer resulting from such withdrawal or alteration. In the event of any such withdrawal or alteration as aforesaid, the Company shall be released from any order relating to any Goods affected by such withdrawal or alteration and shall be under no further liability in respect thereof.

5.2 In order to give the Customer the advantage of any technical developments and to facilitate continuity of supply, the Company reserves the right to change any specification without notice.

6. PRICES

6.1 Selling prices are subject to alteration by the Company without prior notice. Unless the Company has quoted a net price or a fixed price contract has been agreed between the Company and the Customer, the price charged will be that as quoted as list and, valid at date of acceptance of order, less any trade discount confirmed by the Company to the Customer in writing.

6.2 Where a discount is not quoted by the Customer at the time the order is placed, then the Customer's normal trade discount terms will apply.

6.3 The Customer should check the invoice and inform the Company within seven days of receipt of any disputed prices. Failure to do so will not override any of the conditions in paragraph 7 below and may affect any credit limit granted by the Company to the Customer.

6.4 Prices will be subject to the appropriate rate of Value Added Tax or any other applicable sales tax and the appropriate customs duty (if applicable).

7. TERMS OF PAYMENT

7.1 Payment 30 days from date of invoice. The Company reserves the right to charge interest on unpaid debts at 5% above the base rate of Lloyds TSB Bank plc until payment of the debt in full has been received.

7.2 Failure to pay invoice within 30 days from date of invoice, without the agreement of the Company, will result in the suspension of deliveries on a credit basis and (without prejudice to any of the Company's other rights and remedies in respect of such breach):

7.2.1 the Company shall be entitled to recover the price of the Goods from the Customer by action, even though property in the Goods has not yet passed to the Customer in accordance with the provisions of Condition 16 below.

7.2.2 all other sums owing or incurred by the Customer to the Company but not already due for payment shall thereupon become due and immediately payable in full.

7.2.3 the Customer shall pay interest in accordance with the Regulations on all sums due but unpaid, from the due date until payment is received by the Company.

7.3 The Company alone shall have the right to appropriate as it thinks fit, any payment received by it from or on behalf of the Customer to the whole or any part of any debt whatsoever due, owing or incurred by the Customer to it at the time such payment is received. Any purported appropriation by the Customer, whether prior or subsequent, shall be of no effect.

7.4 Unless otherwise agreed in writing, the Customer shall not be entitled to set off against any monies due to the Company under the contract any amount claimed by or due to the Customer from the Company whether pursuant to the contract or on any other account whatsoever.

7.5 In addition to any right or lien to which the Company may by law be entitled, the Company shall in the event of the Customer's insolvency or the Customer failing to render payment for any goods supplied by the Company when due to be entitled to a general lien over all goods of the Customer in the Company's possession (although such goods or some of them may have been paid for) for the unpaid price of any goods sold and delivered by the Company under the same or any other contract.

7.6 Payment is due on installation or practical completion, and an installation completion certificate is signed by or on behalf of the Customer in relation to full or part only of the installation work, the Company shall be entitled to be paid such part of the price so payable as is referable to the work certified to be practically complete and the supply of Goods so installed.

8. DELIVERY & INSTALL

8.1 The Company shall endeavour to execute any order promptly but cannot guarantee delivery dates. The Company shall not be liable in any way for any loss or damage suffered by the Customer by reason of delay in making deliveries including, without limiting the generality of the foregoing, the negligence of the Company. Unless otherwise agreed in writing by a director or the company secretary of the Company, risk shall pass when the Goods are delivered to the Customer at the address specified on the delivery note.

8.1.1 Goods supplied by us will be at your risk immediately on delivery to you or to anyone on your behalf (whichever is the sooner) and you shall therefore be insured accordingly. Property of the goods supplied hereunder will pass to you when the goods, the subject of this contract; and all other goods the subject of any contract between us which, at the time of payment of the full price of the goods sold under this contract, have been delivered by us but not paid for in full, have been paid for in full.

8.1.2 Any delivery date given by us is an estimate only and by way of information. If the delivery date notified by us is unacceptable to you, it can only be altered by giving us 8 working days prior notice. If Company delivers goods on date agreed but the Customer or Customer's agent or representative cannot take delivery the delivery in or sign for, then the Company will be forced to take back delivery to commercial warehouse or factory, and charge Customer for taking back order consignment and the costs to redeliver goods at another agreed date. If for any reason whatsoever beyond our control we are prevented from manufacturing or delivering goods, we shall be entitled at any time to make partial deliveries only or to terminate the contract without prejudice to our existing rights in respect of deliveries which have already been made.

8.2 In the event that the Customer requests postponement of delivery to a date, beyond the delivery date requested when the order was placed (the "Original Delivery Date"), the Company reserves the right as follows;

8.2.1 to immediately raise an invoice for the Goods payment of which shall be required in accordance with Condition 7, or where the Customer has agreed different payment terms with the Company, in accordance with such terms; and

8.2.2 to raise a storage charge for any period of storage beyond the Original Delivery Date, plus in addition the Company may raise charges for extra transport, insurance, handling charges or other costs, caused by the Customer's failure to take delivery or request to delay delivery beyond the Original Delivery Date.

For the purposes of Condition 8.2 postponement shall be deemed to include (but is not limited to) a situation where at the time the order was submitted the Customer did not request delivery of the Goods in installments, but subsequently requests delivery in instalments ("a Call Off Arrangement") and the effect of the Call Off Arrangement is to delay delivery of part or all of the Goods four weeks beyond the Original Delivery Date. In that event Condition 8.2 shall apply to that part of the Goods for which a delivery date(s) four weeks beyond the Original Delivery Date is requested.

8.3 The Company may deliver by a Call Off Arrangement and each instalment shall be deemed to be sold under a separate contract and no failure of or delay in delivery of any instalment or any defect in the contents thereof shall entitle the Customer to treat the contract as repudiated with regard to any remaining instalments.

8.4 When in the opinion of the Company the installation work or any part thereof is practically complete, the Company's employee or agent responsible for the management of the installation work shall prepare an installation completion certificate in respect of the work considered to be practically complete, and shall request the representative of the Customer to sign it to indicate the Customer's agreement that the work listed therein is practically complete. The Customer's representative will record on the certificate any snagging item requiring rectification. Signature of the installation completion certificate by or on behalf of the Customer shall be conclusive evidence that the installation work to which it refers is practically complete. Failure or refusal by or on behalf of the Customer to sign an installation completion certificate shall not be conclusive evidence that the installation work is incomplete.

8.5 The Company shall be entitled to cancel or suspend delivery if the Company is delayed, hindered or prevented from making delivery to the Customer of the Goods by any force majeure. In these circumstances, the Company shall not be liable to the Customer for any losses incurred by the Customer howsoever arising. Where the Company is prevented from delivery the Goods, the Customer shall be entitled to cancel the order and the Customer shall be refunded any monies paid by it to the Company in respect of the order which has been cancelled.

8.6 The Customer shall provide the Company with uninterrupted, interference free access to the premises at which the delivery & installation services are to be carried out, at such dates and times as are agreed between the parties. The Customer shall also provide the Company with all facilities and working lifts, as are reasonably required by the Company to carry out the Services.

9. DELIVERY COSTS AND SURCHARGES

9.1 All orders are dispatched to our warehouse commercial address. The cost of a delivery to site or another address other than our warehouse commercial address, will be borne by the Customer and delivery and installation costs included and costed for in the Company's quotation to the Customer, unless otherwise agreed between the Company and the Customer.

9.2 A surcharge for special delivery or small orders may be made and will be advised at the time of order.

9.3 Unless otherwise specified, the Order and Contact Price is based on the assumption that the Goods and/or Services will be supplied in one batch and accordingly the Company may, at its discretion at any time, increase the Contract Price to take account of any additional costs to the Company (included but not limited to storage and delivery costs) incurred by any reason of the Goods and/or Services being supplied in more than one batch.

10.4 The Contract Price for Services assumes that the Company shall have reasonable continuity of work and access to site and lifts, so that if the Company's servants, employees or agents shall be interrupted in the carrying out of the Services for any reason which is not the fault of the Company, the Customer will be pay additional costs incurred by the Company as a result, which costs shall include (but shall not be limited to) additional delivery, labour costs, freight costs and expenses.

10. RISK

10.1 The risk in the Goods shall pass to the Customer at the time of delivery, in accordance with Condition 8.1 or if the Customer wrongfully fails to take delivery of the Goods, at the time when the Company has tended delivery.

10.2 When the Customer accepts an invoice for the Goods but requests that the Company stores them, then they shall be stored at the Customer's risk and cost.

11. DISCOUNTS

Discounts are paid, where applicable, at the times agreed in writing from time to time between the Company and the Customer. Payment of this discount is made only if all conditions of trading have been adhered to since the previous payment and, particularly, all monies due have been paid. Discounts offered for one order does not automatically apply for the next order.

12. RETURNS AND CREDITS

The Company shall not be obliged to accept the return of any Goods unless an official collection order has been first obtained from the Company.

13. CLAIMS FOR LOSS OR DAMAGE

13.1 The Customer shall inspect the Goods immediately upon delivery.

13.2 The Company shall not be liable for partial loss of, or damage to, a consignment, or discrepancies in delivered specification, unless the Customer notifies the Company in writing within 10 days of the delivery date.

14. COMPLAINTS & WARRANTIES

14.1 Excepting fair wear and tear of the Goods by the Customer, the Manufacturer warrants that all Goods delivered to the Customer will be free from defects in materials or workmanship. The Manufacturer's liability (if any) arising from such defects shall in no case exceed the price paid or payable for the defective Goods and the Manufacturer may, at its option, discharge such liability (if any) by supplying free of charge an equal quantity of Goods to replace any Goods or by repairing any Goods which do not comply with the said warranties or either of them.

14.2 The Manufacturer shall be liable as aforesaid under the said warranties only if written notice is given to the office of the Company immediately upon discovery of the alleged defect and no later than 10 days from the delivery date.

14.21 All complaints in respect of visible defects must be reported to us in writing and sent by registered letter to our registered office and posted within 10 days of delivery of the goods. Carpets should be inspected before cutting to fit a room. Manufacturing faults which you could have discovered by careful inspection before cutting, cannot be accepted after the carpet has been cut and laid. In the case of hidden defects, these must also be reported in writing by registered letter to our registered office within 10 days of discovery by ourselves. Any letter of complaint must give the following details: A detailed description of the complaint or problem, images and details as to when and how you became aware of the defect or complaint. Notwithstanding the foregoing, the Goods must be inspected on delivery and the Company shall not be liable for any defects after the Goods have been cut or stuck to the floor.

14.22 In the event of a complaint relating to goods, we shall be entitled to attend and inspect the goods on site before any remedial action of whatsoever nature is taken or the goods returned. If such an opportunity is not afforded to us, we will be entitled to reject any liability whatsoever. No goods sold may be returned without our written consent. No complaints whatsoever will be entertained or accepted in relation to goods sold as 'imperfect'.

14.3 The Customer accepts and agrees that the Manufacturer's liability in respect of any defects or alleged defects in the Goods shall be limited as provided in Condition 14.1 above and that, subject to Condition 14.1, the company shall not in any circumstances whatsoever be liable for and there shall be excluded from this agreement (insofar as shall be permitted by law) all or any implied terms, conditions, warranties, representations or undertakings whatsoever, whether implied by common law, by statute, by custom or otherwise howsoever.

14.4 The Company shall not be liable for any damage sustained by the Customer by reason of any negligence by the Company or its servants or agents in or about the manufacture or delivery of the Goods. For the avoidance of doubt, nothing in these Conditions of Sale shall be deemed to exclude or restrict the Company's liability for death or personal injury arising due to the Company's negligence.

14.5 The Company gives no warranty and makes no representation and there shall be no express or implied terms in these Conditions of Sale relating to the suitability of the Goods for any purpose whatsoever not disclosed by the Customer.

14.6 Under no circumstances whatsoever shall the Company be liable for any defect or claim (including but not limited to defects or claims relating to size, colour, finishing, flashing or texture of Goods) arising from circumstances beyond the control of the Company.

14.7 Colour Matching: The Company accepts no responsibility for (i) the matching of colours ordered at different times, or (ii) the exact matching of the colour of Goods to the colour of the original sample.

14.8 Shading/Pile Reversal and Pile Pressure: All cut pile carpets can become subject to permanent pile distortion; that is, the pile in parts of the carpet becomes permanently bent or distorted. This gives the appearance of light and dark patches sometimes described as 'water marking' or 'shading'. The current state of research has been unable to identify a specific cause of this effect and there is no clear and consistent relation between it and the tracking caused by foot traffic. This is inherent in a cut pile product and will not affect its wear performance.

In common with many carpet manufacturers, the Company, under no circumstances whatsoever, shall be liable for pile shading, pile reversal or pile pressure.

14.9 Soiling: Lightly coloured or patterned carpets are liable to become soiled in wear, particularly if inappropriate maintenance has been used. This may be apparent as colour fading, for which the Company can accept no responsibility.

14.10 Where the Goods are used in an environment which is subject to extremes of light and heat, such as by windows and atriums, colour fastness cannot be guaranteed as such extremes may cause fading and wood veneers and wood stains can fade and change colour. In such circumstances the Company accepts no liability for colour change or fading.

14.11 Save as hereinbefore expressly provided, the Company shall not be liable for any damage (whether direct, indirect or consequential and whether caused by the negligence of the Company or its employees or agents) sustained or allegedly sustained by the Customer relating from the supply by the Company of the Goods or resulting from any representation made or allegedly made by the Company on its behalf.

14.12 The liability of the Company shall only apply to defects that appear under proper use and under conditions of operation not more onerous than those declared to the Company and upon which the Company's design is based and in particular shall not apply to defects which arise from the Customers neglect, misuse, faulty maintenance or installation or from alterations carried out without the prior written consent of the Company or from the repairs carried out improperly by the Customer or arising from normal wear and tear.

15. INSTALLATION AND MAINTAINANCE

15.1 The Company accepts no liability for the Goods unless they are properly installed in accordance with the manufacturers existing installation instructions, as supplied by the Manufacturer and Company and detailed on the manufacturer's website.

15.2 The Company accepts no liability whatsoever for damaged Goods caused by the improper maintenance of Goods by the customer. The Customer is referred to the Manufacturer's Maintenance Guide which is available on request and on their website. The Company inter alia recommends:

16. PROPERTY

16.1 Notwithstanding delivery and the passing of risk, property in the Goods shall remain in the Company until the Company receives payment in full by or on behalf of the Customer of all sums (whether in respect of the Goods or otherwise howsoever) due, owing or incurred at the time such payment is received from the Customer by the Company, at which time (and not earlier) property in the Goods shall pass to the Customer.

16.2 Until property in the Goods passes to the Customer, the Customer shall be the bailee of the Goods and fiduciary agent for the Company and shall store the Goods securely, safely and separately from the Customer's own Goods or those of any other person and in a manner which makes them readily identifiable as the Goods of the Company.

16.3 Until such time as property in the Goods has passed to the Customer, the Company shall be entitled at any time to require the Customer to deliver up the Goods to the Company and if the Customer fails to do so forthwith the Company or its agents may enter the premises of the Customer and take possession of any Goods in which property remains in the Company and remove and dispose of them as the Company thinks fit. The Company shall apply the proceeds of disposal (after deduction of all expenses) in discharge of the amount unpaid by the Customer.

17. DEFAULT OR INSOLVENCY OF THE CUSTOMER

If the Customer shall fail to take delivery of any Goods when required or make default in or commit a breach of any of its obligations under these Conditions of Sale or any other agreement with the Company or if any distress or execution or other legal process shall be levied upon any of the Customer's property, Goods or assets or any part thereof or if the Customer ceases, or threatens to cease, to trade, or if the Customer shall make or offer to make any arrangement or composition with creditors or commit any act of bankruptcy or being a limited company, the Customer shall become insolvent or go into liquidation or consider a resolution that it should be placed into liquidation or suffer a petition to be presented that it be placed in liquidation, or suffer the appointment of a receiver, administrative receiver or manager of its undertaking, property or assets or any part thereof, or be adjudicated a bankrupt or take advantage of any insolvency act (or in each case the equivalent in any jurisdiction) or exceeds its credit limit (if any) with the Company, the Company shall at any time thereafter be entitled to determine these Conditions of Sale and without prejudice to its other rights hereunder recover from the Customer any loss on sale of the Goods comprised in these Conditions of Sale. All sums outstanding or yet to accrue due in respect of any contracts subsisting prior to such termination shall automatically become due and payable. Without prejudice to the foregoing, the Company may in the event of the Customer's default in paying any sum due under these Conditions of Sale or any other agreement, suspend delivery of the Goods until such default shall have been made good. In the case of an agreement for the sale of Goods by instalments, each instalment shall be deemed to be sold under a separate agreement and, in the event of the Customer's default in respect of any such instalment, the Company shall be entitled to determine such agreement with regard to any instalment remaining deliverable.

18. FORCE MAJEURE

The Company shall be entitled to cancel or delay delivery if it is delayed or hindered in or prevented from manufacturing or delivering through any circumstances beyond its reasonable control, including but not limited to strike, accident, fire, flood, act of God, reductions in or unavailability of materials at the Company's or its supplier's premises, or breakdown of plant or machinery.

19. TRADEMARKS, PATENTS AND OTHER INDUSTRIAL RIGHTS

19.1 All documents supplied by the Company to the Customer shall remain the property of the Company and the Company or Company's Manufacturers shall retain all rights to the copyright, design right or other intellectual property rights in the same. The Customer shall at all times maintain the confidentiality of such documents and acknowledges the Company's intellectual property rights in such documents and information and in the Goods themselves.

19.2 All catalogues, specifications and other technical characteristics and any descriptive matter and other documents supplied by the Company to the Customer are intended to give a general description of the goods offered and shall not form part of the contract unless otherwise expressly agreed in writing. The Customer shall have no right or license to use any trademark owned or used by the Company on the Goods.

20. ASSIGNMENT

Rights and obligations under these Conditions of Sale are not to be assigned or transferred by or to the Customer without the prior written consent of the Company.

21. WAIVERS

The Company's rights and remedies shall not be prejudiced by any indulgence or forbearance to the Customer and no waiver by the Company of any breach by the Customer shall operate as a waiver of any subsequent breach.

22. SEVERABILITY

If any provision of these Conditions of Sale 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 of Sale and the remainder of the provisions in question shall not be affected thereby.

23. JURISDICTION

These conditions and any other act or contract to which they apply shall be governed by the laws of England and the parties hereto submit to the exclusive jurisdiction of the English Courts.

Natural Elements Limited

53 - 56 Great Sutton Street, Clerkenwell, London EC1V 0DG

Tel 020 7253 2111 Fax 020 7253 0111

E Mail: sales@natural-elements.co.uk

Website: www.natural-elements.co.uk

Registered in England:

12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD.

Reg No: 3086265