

# TERMS AND CONDITIONS OF SALE OR HIRE OF GOODS AND SERVICES

1. **These terms govern all contracts for the sale, hire of goods and services between County Textile Services Limited ("The Company") and any purchaser of the goods and services ("The Customer") These terms can be varied only with the written consent of the Company.**

In these terms, "goods" means all, or any part of the items supplied by the Company to the Customer, and "Contract" means any contract between the Company and the Purchase for the sale or hire of goods or services.

## 2. Definitions

In these Conditions:

"The Conditions" means the standard terms and conditions of sale, hire and service set out in this document.

"The Items" means the general linen, towels, sheets, pillowcases, work clothing, equipment and any other items whatsoever supplied on sale or rental terms under this Agreement by CTS including but not limited to those specified overleaf.

"The Additional Items" means the general linen, towels, sheets, pillowcases, work clothing, equipment and any other goods whatsoever supplied by CTS to the Customer in accordance with Clause 9 hereof.

"The Non-Stock Goods (Dedicated)" means garments or embroidered items of linen supplied for the Customer's EXCLUSIVE use.

"The Customer's Own Goods" means items for which CTS provides the Services but which are not owned by CTS.

"The Services" means the installation and maintenance of equipment and the delivery, collection, general cleaning, laundering, dry cleaning, and processing of the items and/or the Customer's Own Goods.

"The Agreement" means these terms and conditions of hire or sale of goods and services

## 3. Basis of Sale or Hire of Items and Provision of Services

- (i) CTS agrees to sell or hire the items to the Customer and to provide Services in respect of the items subject to these Conditions.
- (ii) Providing Services in respect of the Customer's Own Goods will be at CTS's discretion and the provision of those Services shall be governed by these Conditions.
- (iii) The quoted sizes, colour shades and other specifications for the items are based on new items and the Services are provided on the basis that the items may be subject to shrinkage, fading or other change during processing.
- (iv) CTS agrees to process the Customers' laundry and dry cleaning to the best of its ability. However the Company cannot guarantee to remove all stains. CTS agrees to provide one free re-processing cycle in the event of the Customer being dissatisfied with the standard of cleaning.

## 4. Orders

All orders for the supply of goods or services placed by the Customer with the Company are irrevocable but shall not bind the Company until accepted in writing or until the goods are delivered or invoiced to the Customer. Orders may not be cancelled without the prior agreement of the Company in writing. The Customer shall indemnify the Company against all loss (including loss of profit) or expense, however indirect or remote, resulting from the cancellation of an order or any other breach of contract by the Customer.

## 5. Delivery and Specification

All goods are offered and all orders are accepted subject to availability. The Company reserves the right to deliver such part of any order as permitted by the availability of the goods on order.

The Company shall endeavour to deliver goods within a reasonable time of the placing of an order, but time shall not be of the essence in respect of deliveries. Delivery of goods shall be deemed to take place at the Company's premises unless otherwise agreed. It is the responsibility of the Customer to ensure the safety and security of the goods after delivery, and the Company will accept no responsibility therefore. The cost of delivery at the Customer's own premises or those of a nominated agent may be charged extra to the Customer.

All illustrations and specifications which relate to the goods are approximate only, and the Company reserves the right to make such alterations as it sees fit.

Absolute consistency of sizes, materials, proportions, colours and shades is not guaranteed by the Company.

Claims for shortages or non-delivery must be supported by the carrier's consignment or proof of delivery note on which the goods have been signed for as unchecked, short, or damaged as appropriate. No claims for shortages or damages will be entertained unless goods are checked at the time of delivery in the presence of the carrier's employee. While every effort will be made to despatch goods on time, no responsibility will be accepted for late or non delivery, or for any consequential loss whatsoever.

All shortages, damages or non delivery of goods must be notified to us by telephone within three working days and confirmed in writing within five working days of despatch.

## 6. Prices

All prices for goods are quoted exclusive of all taxes, duties or charges unless otherwise stated.

Carriage charges for transport of goods from the Company's premises do not include the cost of insurance, which is the responsibility of the Purchaser.

The Company reserves the right to vary the price of goods, services or carriage charges from time to time.

## 7. Payment and Credit

Credit will not be extended to the Customer unless an application for credit has been made on the Company's form and approved by the Company.

The Customer will pay the invoiced charges for sale or hire of the items and provision of the Services within 28 days of the date of CTS's invoice. Where no credit account is granted to the Customer, payment is due immediately upon the date of invoice or by pro forma invoice.

If the Customer fails to make any payment on the due date then, without prejudice to any other right or remedy available to CTS, CTS shall be entitled to:

- (a) Cancel the contract or suspend further deliveries of the Goods or provision of the Services to the Customer, and
- (b) Charge the Customer interest (both before and after any judgement) on the amount unpaid at the rate of 5% per annum above Barclays base rate from time to time. CTS reserve the right to out source all outstanding accounts to a private debt collection agency and customers will be liable for any of the cost incurred. These currently stand at 20% of the overdue balance. Please note that County Court costs and fees may also be levied.
- (c) A charge of £20 will be made in respect of each instance of a returned or represented cheque. The Company reserves the right to refer overdue accounts to their solicitors and the customer shall reimburse the Company for any legal costs thereby incurred.

## 8. Set-off and Lien

No payments may be withheld nor may any counterclaims of the Customer be set off against any payment due under this or any other contract.

The Company shall have a general and particular lien on all money and property which the Customer owns or is entitled to possess which is in the possession of the Company of its agents which it may sell as the Customer's agent to reduce the Customer's debt to the Company.

## 9. Revision of Rentals and Services

At the Customer's request, CTS may at its discretion agree to supply by way of hire/rental Additional Items. The provision of the Additional Items and the Services in respect thereof shall be governed by the Conditions.

## 10. Duties of CTS

CTS shall during the continuance of this Hire and Service Agreement: Maintain the items in serviceable and satisfactory condition and provide the services to a reasonable standard.

## 11. Non-Stock Goods

The Customer will purchase the Non-Stock Goods at their residual value, calculated on a 2 year straight line depreciation basis, if no longer required by the Customer or under these Conditions the service is terminated.

## 12. Duties of the Customer for Hire of goods

The Customer shall during the continuance of these Conditions:

- (i) Permit CTS at all reasonable times to enter its premises for the purpose of checking and where necessary removing any hired items.
- (ii) Report and confirm in writing any discrepancy between the items received by the Customer and the items specified in any delivery note or other document accompanying delivery, within 24 hours of delivery. No responsibility will be accepted by CTS for short delivery if they do not receive the proper notification.
- (iii) Ensure that no one other than CTS provide maintenance and services in respect of the items.
- (iv) Be responsible for installing clean roller towels in any cabinets.
- (v) If intending to make a claim against CTS for any failure to provide Services to the correct standard notify CTS of any complaint within 2 days of the date of delivery or (where the failure was not apparent on inspection) within a reasonable time after discovery of same. If the Customer does not notify CTS accordingly CTS shall have no liability for such failure.

## 13. Ownership of Hire items

The items shall at all times remain the property of CTS and the Customer undertakes not to deal with the items in any way which may be prejudicial to CTS's rights of ownership.

## 14. Claims against the Company

All claims in respect of goods alleged to be defective must be made in writing to the Company within 14 days of the date of delivery. All allegedly defective goods must be returned for inspection by the Company. No claim for defective goods can be made after 14 days.

Any loss of damage to goods after delivery, which for the avoidance of doubt includes loss or damage to goods in transit, is the responsibility of the Customer alone and the Company will accept no liability therefore.

Goods are supplied on the understanding that their value does not exceed the net invoice price of such goods. Under no circumstances shall the liability of the Company to the Purchaser or any third party in respect of goods supplied exceed the net invoice price of such goods.

Goods which have been damaged by the Purchaser, worn, re-labelled or altered, printed upon, embroidered or otherwise processed cannot be returned. It is the Customer's responsibility to check suitability of goods prior to processing. The Company does not accept responsibility or liability for minor manufacturer's variations in the quality, consistency, size or colour of the goods supplied.

The conditions of and warranties relating to the contract are limited to those stated in writing by the company. The Customer agrees that an order for goods by reference to a produce name, number or description shall be to the basic standard version of those goods and that supply of them will fulfil the Company's obligations

## 15. Returned Goods

The Company does not trade on a "sale or return" basis.

Perfect goods may be returned only after the Company has given written consent. Goods which have been damaged, worn, re-labelled, altered, printed upon, embroidered or otherwise processed by the Customer cannot be returned.

It is the responsibility of the Customer to check in every respect the goods are perfect, correct and suitable for purpose and processing prior to commencement of processing.

## 16. Exclusion of Liability

The terms of Clause 14 above are in lieu of all conditions and warranties whether expressed or implied by statute, custom of the trade or otherwise and any such condition or warranty is excluded.

The Company's aggregate liability in tort or for breach of contract in connection with the goods shall be limited to damages of an amount not exceeding the contract price for the goods in relation to which such liability may have arisen. The Company shall have no liability in any event for loss of profit or other consequential loss.

Nothing contained in these terms shall purport to exclude or restrict any liability the exclusion or restriction of which is prohibited by section 2(1) or section 6(1) of the Unfair Contract Terms Act 1977.

The parties have freely negotiated the contract including the price in the knowledge that the liability of the Company is to be limited in accordance with these terms. The Purchaser acknowledges that a higher price would be payable but for such limitation.

## 17. Title to Goods

Retention of title:

- (i) Title to any goods sold to the Customer by the Company shall not pass to the Customer until the total amount due under the invoice for those goods is paid to the Company. Further, title to such goods shall not pass until payment to the Company of all amounts owing to it by Purchase on any account whatsoever.
  - (ii) Until title passes to the Customer, the Customer shall not deal with or dispose of the goods other than in its normal course of business. Any permission to deal with the goods will cease immediately on the appointment of an administrative receiver, on the presentation of winding-up or bankruptcy petition or of a petition for the making of an administration order, the appointment of a liquidator, the giving of notice of any meeting to pass a winding-up resolution or any other act of insolvency.
  - (iii) If prior to making payment to the Company for the goods, the Customer contracts to re-sell the goods to a third party in substantially the same form in which they were delivered to the Customer, or if the goods are used or incorporated in the production of any other product which is sold by the Customer to a third party, then in each case title to such goods shall pass directly from the Company to such third party pursuant to Clause
- (i) above upon payment in full to the Company and the Clause relating to Resale of Goods shall apply in such circumstances.

Until title passes the Customer shall hold the goods as bailee for the Company and shall be a fiduciary to the Company in respect of the goods, and where Clause 20 applies, in respect also of the proceeds of sale and any payment of the type described in Clause 20.

Until title passes, the Company may at any time (regardless of any period of credit given to the Customer) enter onto the premises of the Customer or of its agents or customers to repossess all or part of the goods and the contract shall terminate in respect of those goods without prejudice to any rights of the Company.

## 18. Risk

Risk in the goods shall pass to the Customer immediately upon delivery, which unless otherwise agreed means delivery at the Company's premises to the Customer's appointed or agreed carrier, or otherwise to the Customer in person or its agent. Until title passes to the Customer it shall indemnify the Company against all loss or damage to the goods or depreciation in their value. Any items which are lost, damaged or otherwise become unserviceable whilst in the control of the customer will be charged to the customer at THEIR REPLACEMENT COST. The Customer is responsible for taking out insurance to cover any such loss or damage.

## 19. Custody of Goods

Until title passes the Customer will ensure the goods are kept separate and are clearly identifiable as the property of the Company.

Until title in the goods shall have passed to the Customer, if any of the goods are incorporated in or attached to any products manufactured or assembled by the Customer or its agents, the Customer shall maintain records sufficient to enable such goods so incorporated to be identified or quantified. The Company may at any time remove any goods belonging to it regardless of any practical difficulty or damaged caused to such products.

## 20. Resale of Goods

Where title to the goods has not passed from the Company and the Customer wishes to re-sell the goods and Clause 17(iii) applies, the Customer shall invoice the goods to the third party purchaser at a price not less than that charged to the Customer by the Company for the goods and shall notify the third party purchaser that the goods are the property of the Company. Such sale shall be made by the Customer as a principle but all proceeds of sale shall be held by the Customer as agent for the Company and the Customer shall be in a fiduciary position to the Company in respect of such proceeds of sale.

Any payments received by the Customer in respect of any assignment of any debt in connection with any sale of the goods by the Customer shall be held by the Customer as agent for the Company and the Customer shall be in a fiduciary position to the Company in respect of any such payment so received.

The Customer shall give the Company full particulars of persons to whom goods have been or are intended to be sold so as to enable the Company to recover goods.

## **21 Rectification of these Terms**

If any of these terms or any part of these terms, is unenforceable or void law, it shall not affect the remainder of such term or any such term or otherwise affect the contract and shall be replaced by such valid term as is as near as may be in effect to the original term.

## **22. Indemnity and Insurance by Customer**

The Customer shall insure fully against and shall fully, promptly and effectively indemnify the Company against all expenses and liabilities whatsoever directly or indirectly relating to:

Any defect in the goods or in any produce ("Product") in the production or supply of which the goods are or have been used, or incorporated by the Customer or by any third party purchaser deriving title in the goods directly or indirectly from the Customer (including but without limitation any liability arising under or pursuant to the Consumer Protection Act 1987, EEC Council Directive 85/374/EEC concerning liability for defective products, any other national legislation implementing such Directive or any other equivalent foreign legislation) unless such liability is caused solely by the Company's negligent act or omission in the manufacture or delivery of the goods or:

Any infringement of any intellectual property rights of any third party caused by the production, supply, use or sale of the goods or any Product or by the use of any trademark; or Any negligent or wilful act or omission of the Purchaser in connection with or in relation to the use or supply of the goods or any Product.

## **23. Termination**

If the Customer shall fail to pay rental or other sum payable under the Conditions within 14 days of its becoming due (whether demanded or not) or shall commit a breach of other terms and conditions whether express or implied of this Agreement (or of the terms and conditions of any such agreement as aforesaid) then in each and every such case the Customer shall be deemed to be in fundamental breach of this Agreement and CTS may thereupon or at any time within 3 months thereafter by notice in writing to the Customer for all purposes forthwith terminate this Agreement.

The Customer shall upon any termination pay to CTS:

- (a) all arrears of rental then due and all other sums accrued due and unpaid at the date of termination, together with interest thereon payable: and
- (b) compensation for the loss suffered by CTS as a result of such termination, equal to the balance of charges due under this Agreement for the rest of the Hire and Service period less a deduction of 25% to represent the cost of service thereby saved; and
- (c) Any other sums which are or become due to CTS or to which CTS is entitled by way of damages. The termination of this Agreement shall not affect any rights of CTS or the liabilities of the Customer subsisting at the date of termination.

## **24. Force Majeure**

- (i) Although CTS will use all reasonable endeavours to discharge its obligations under this Agreement in a prompt and efficient manner, it does not accept responsibility for any failure or delay caused by circumstances beyond its control.
- (ii) At each Bank Holiday CTS will either inform the Customer of alternative delivery days, deliver by agreement on the due day or ensure the Customer has sufficient stock to render delivery unnecessary

## **25. Change of Ownership**

Any change of ownership or trading name by the Customer must be notified to CTS immediately.

## **26. Jurisdiction**

All contracts between the Company and the Customer shall be governed by the laws of England and any disputes arising there from shall be subject to the jurisdiction of the English courts. Any failure by the Company to enforce the terms contained herein or any indulgence granted to the Customer shall not amount to and not be deemed to be a waiver of such term or terms.