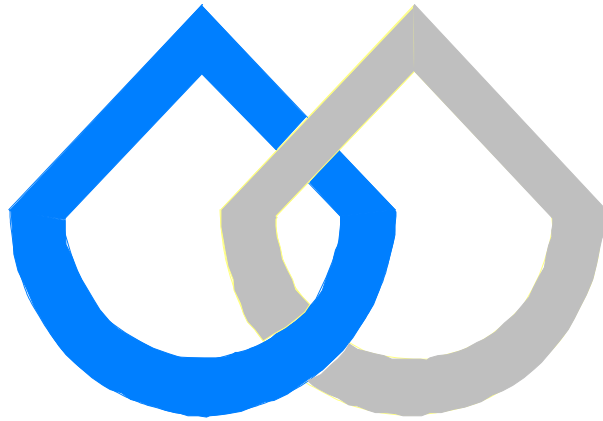


Rio Tinto Aluminium Group



Anglesey Aluminium Metal Limited

General Terms and Conditions

Version 6 dated 14.02.2007

Anglesey Aluminium General Terms And Conditions

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1 INTERPRETATION

1.1 In these Conditions, the following references shall have the following meanings:

AAM	Anglesey Aluminium Metal Limited and its personnel;
AAM Representative	the person appointed by AAM as responsible for the Contract;
Business Day	any day falling between Monday and Friday excluding national and bank holidays;
Conditions	AAM's general Terms and Conditions.
Contract	the contract comprising the Order, the Supplier's acceptance and incorporating these Conditions (including Waste Contracts and Recovery Contracts);
Goods	any goods agreed in the Contract to be purchased by AAM (including any part of them);
Group Company	any company which is (i) a holding company or a subsidiary company of AAM or (ii) a subsidiary company of any holding company of AAM, such terms having the meaning given to them in Section 736 Companies Act 1985
Order	AAM's written instruction to supply the Goods, Services or Rental Equipment, incorporating these Conditions;
Output Material	any material, data, information or documents produced or provided by the Supplier in the course of completing the Contract;
Product	umbrella term for the subject matter of the Contract, i.e. Goods, Services or Rental Equipment;
Recovery Contracts	a Contract relating to the transporting, handling, storing, treating, recycling or other processing of Recovery Material and/or any other Contract which states to be a Recovery Contract (in both cases excluding Waste Contracts);
Recovery Material	all waste materials produced by the Site that are recycled, recovered or reprocessed by a Recovery Undertaker;
Recovery Undertaker	the final recipient of Recovery Material who undertakes the treatment, recycling, recovery or other processing of Recovery Material;
Rental Equipment	the equipment agreed in the Contract to be hired by AAM (including any part of them);
Services	any services (including professional services and construction) agreed in the Contract to be purchased by AAM (including any part of them);
Site	AAM's place of business- Penrhos Works, Holyhead, Anglesey, LL65 2UJ;
Supplier	the person, firm or company which accepts the Order, whether to supply Goods or Rental Equipment or as an independent contractor supplying services (including as part of a rental agreement);
Waste	all waste materials produced by the Site excluding Recovery Material;
Waste Contracts	a Contract relating to the transporting, handling, incineration, treating, land filling or other processing of Waste and/or any other Contract which states to be a Waste Contract (in both cases excluding Recovery Contracts);

1.2 In these Conditions, references to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that statute or provision as from time to time amended, consolidated, modified, extended, re-enacted or replaced.

1.3 Headings are inserted for convenience only and do not affect the construction of these Conditions.

2 APPLICATION OF TERMS

- 2.1 The Supplier is aware that in entering the Contract AAM is relying on their pre-contractual representations and assurances.
- 2.2 These Conditions are the only conditions upon which AAM is prepared to deal with the Supplier and they shall govern the Contract to the entire exclusion of all others. No terms or conditions endorsed upon, delivered with or contained in the Supplier's quotation, acknowledgement or acceptance of Order, specification or similar document will form part of the Contract and the Supplier waives any right which it otherwise might have to rely on such terms and conditions.
- 2.3 Each Order for Products by AAM from the Supplier shall be deemed to be an offer by AAM to purchase/hire Products subject to these Conditions and no Order shall be accepted until the Supplier either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part accepts the offer.
- 2.4 No variation to these Conditions shall have any effect unless expressly agreed in writing and signed by the AAM Representative.
- 2.5 Each right or remedy of AAM under the Contract is without prejudice to any other right or remedy of AAM whether under the Contract or otherwise.
- 2.6 If any provision of the Contract is found by any court, tribunal, or administrative body of competent jurisdiction to be wholly or partially illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 2.7 A provision of or a right created under the Contract or these Conditions may not be waived except in writing signed by the party granting the waiver, therefore a delay or a failure by AAM in enforcing or partially enforcing any provision will not be construed as a waiver of its rights.
- 2.8 Any waiver by AAM of any breach of, or any default under, any provision of the Contract by the Supplier will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of the Contract.

3 APPOINTMENT OF SUPPLIER

- 3.1 AAM appoints the Supplier as a supplier of the Product to AAM for the term specified in the Contract.

4 SUPPLY ARRANGEMENTS

- 4.1 When supplying the Product and/or Services, the Supplier must at all times comply with and ensure that the Supplier's personnel comply in all respects with:
- 4.1.1 all applicable laws (whether originating from the UK Parliament, the devolved powers, the European Union, local authorities or administrative bodies) and industrial agreements, including, without limitation, any such relating to drugs and alcohol, health, safety and environment; and
- 4.1.2 all alcohol and other drug, safety, health and environment guidelines, policies and procedures operated by AAM and of which the Supplier is informed including, in particular, those set out in Exhibit S to these terms and conditions, as it may be amended and updated from time to time.
- 4.2 If at any time during the course of the Contract the Supplier enters the AAM Site, the Supplier must ensure that the Supplier and the Supplier's personnel:
- 4.2.1 comply in all respects with the Site conditions and all directions given by the AAM Representative;
- 4.2.2 complete AAM's safety induction if required;
- 4.2.3 have minimum Personal Protective Equipment such as safety helmets, eye protection and footwear;
- 4.2.4 do not interfere with any of the activities conducted on Site;

- 4.2.5 ensure that any tools, equipment, material or other products brought onto Site meet all safety requirements and are kept secure; AAM will not be liable for theft, loss or damage to tools, equipment or materials;
- 4.2.6 ensure that the Site is left safe, secure, reasonably clean, orderly and fit for use; and
- 4.2.7 act in a responsible and safe manner at all times.
- 4.3 The Supplier shall appoint a competent employee, approved by AAM, to be constantly on site and who shall give his whole time to superintendence of the same. Such employee shall receive directions and instructions from AAM, and AAM must be notified of his name, address and telephone numbers (day and night) before the Contract commences.
- 4.4 The Supplier shall employ only such persons as are careful, skilled and experienced and AAM shall be entitled to object to and require the immediate removal of any person employed by the Supplier who, in the opinion of the AAM Representative, misconducts himself or is incompetent or negligent in the performance of his duties or fails to conform in any respect with AAM's rules or is engaged in activities which are contrary or detrimental to the interests of AAM or is not complying with the policies of AAM or persists in any conduct likely to be prejudicial to safety, health or the environment.
- 4.5 The Supplier must, at its own cost, provide a suitable replacement for any such person within 24 hours or such longer time as may be agreed by AAM.
- 4.6 Where the Supplier's personnel are providing a Service on site (including as part of a rental agreement) they are independent contractors and not agents or employees of AAM.
- 4.7 The number of vehicles allowed on Site for the purpose of the Contract will be strictly controlled by the AAM Representative and the Plant Protection Department. Vehicle entry passes will be issued after consultation between the Supplier's senior site representative and the AAM Representative.
- 4.8 Cameras may not be brought on site or photographs taken of any work under the Contract without prior written consent.

5 DELIVERY OF GOODS

- 5.1 Goods shall be delivered, carriage paid, to the AAM Site or to such other place as is agreed by the AAM Representative in writing prior to delivery. The Supplier shall off-load Goods as directed by the AAM Representative.
- 5.2 Goods delivered must be properly packed, in good condition and without damage caused by delivery. The Supplier will replace any damaged Goods at no additional cost to AAM.
- 5.3 Neither title nor risk in the Goods will pass to AAM:
 - 5.3.1 until the Goods are delivered to, inspected and accepted by the AAM Representative at the relevant delivery point; or
 - 5.3.2 where stock is held by the Supplier at the AAM Site, until the Goods are issued to AAM by the Supplier from the relevant store.
- 5.4 The Supplier shall invoice AAM upon, but separately from, despatch of the Goods to AAM.
- 5.5 The Supplier shall ensure that each delivery is accompanied by a delivery note which shows, inter alia, the order number, date of order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.
- 5.6 No responsibility for payment shall be accepted by AAM unless delivery notes have been signed by the AAM Representative. The signature of any delivery note by or on behalf of AAM shall not imply that AAM has accepted any Goods as regards quality or quantity.
- 5.7 Time shall be of the essence.
- 5.8 The date for delivery shall be specified in the Contract. If no such date is specified, delivery shall take place on or before the date falling 28 days after the date of the Order.
- 5.9 If the Goods are not delivered on the due date then, without prejudice to any other rights that it may have, AAM reserves the right to:

- 5.9.1 cancel the Contract in whole or in part;
 - 5.9.2 refuse to accept any subsequent delivery of Goods that the Supplier attempts to make;
 - 5.9.3 recover from the Supplier any expenditure reasonably incurred by AAM in obtaining substitute Goods from another supplier; and
 - 5.9.4 claim damages for any additional costs, loss or expenses incurred by AAM which are in any way attributable to the Supplier's failure to deliver the Goods on the due date.
- 5.10 Early delivery by the Supplier and acceptance by AAM shall not entitle the Supplier to early payment.
- 5.11 Unless otherwise agreed, deliveries shall only be accepted between the hours of 8.30am and 3.30pm. If the Supplier attempts to deliver outside these hours without prior agreement with AAM and AAM is unable to accept delivery the Supplier shall contact AAM at a later date and organise a second delivery time. Such second delivery shall be at the Supplier's cost.
- 5.12 If the Supplier requires AAM to return any packaging material to the Supplier that fact must be clearly stated on any delivery note delivered to AAM and any such packaging material will only be returned to the Supplier at the cost of the Supplier.
- 5.13 Where AAM agrees in writing to accept delivery in instalments, the Contract will be construed as a single contract in respect of each instalment. Nevertheless, failure by the Supplier to deliver any one instalment shall entitle AAM at its option to treat the whole Contract as repudiated.
- 5.14 If the Goods are delivered to AAM in excess of the quantities ordered, AAM shall not be bound to pay for the excess and any excess will be and will remain at the Supplier's risk and will be returnable at the Supplier's expense.
- 5.15 The Supplier will be liable for any difference in freight charges arising from a failure to follow any transport instructions given or to properly describe the Goods transported.

6 PROVISION OF SERVICES

The following shall apply to the provision of Services (including the Services to which clause 8 applies where applicable but subject to clause 8):

- 6.1 Unless otherwise agreed the Supplier will provide the Service at the AAM Site.
- 6.2 The Supplier shall be deemed to have inspected and examined the Site and its surroundings and to have satisfied itself before executing the Contract as to the nature of the ground and sub-soil, the form and nature of the Site, the extent and nature of the work and materials necessary for the completion of the Contract, the means of communication with and access to the Site and all other necessary factors and circumstances which may affect performance of the Contract.
- 6.3 No works to commence on Site until Approved Contractor Status has been notified by the relevant AAM Department.
- 6.4 Contract is subject to approval by AAM Site Engineer/Representative's method statement and risk assessment for the works to be carried out.
- 6.5 The Supplier shall provide all labour, materials, equipment and everything else, whether of a temporary or permanent nature, required in or for construction, completion and maintenance (as appropriate) of the Service and shall be responsible for the unloading and security of all such materials, equipment and things and all costs and charges incurred.
- 6.6 Unless otherwise provided in the Contract, the Supplier will be solely responsible for all means, methods, techniques, sequences, procedures, and controls in connection with the performance of the Contract.
- 6.7 The Supplier agrees that the Service includes any incidental work that can be reasonably inferred as necessary or appropriate to complete the Service in accordance with the Contract.
- 6.8 The Supplier will prosecute the Service with due expedition, at such rate and in such a manner as necessary and appropriate to comply with AAM's requirements.
- 6.9 The Supplier shall sign all drawings and specifications as checked and approved prior to submitting for AAM's approval.

- 6.10 The Supplier shall submit to AAM for AAM's approval all design engineering data, flow diagrams, equipment and instrument diagrams, general arrangement drawings and detail drawings required in the course of or as part of the execution of the Contract. If AAM shall require corrections, these shall be made by the Supplier who will then re-submit to AAM for approval the relevant data, diagrams or drawings duly corrected. No approval by AAM shall affect any other obligations of the Supplier under the Contract or affect AAM's rights.
- 6.11 The dates for commencement and completion shall be specified in the Contract.
- 6.12 Time shall be of the essence.
- 6.13 If the Contract is not completed by the due date then, without prejudice to any other rights that it may have, AAM reserves the right to:
 - 6.13.1 cancel the Contract in whole or in part;
 - 6.13.2 refuse to accept any subsequent completion of the Service the Supplier attempts;
 - 6.13.3 recover from the Supplier any expenditure reasonably incurred by AAM in obtaining execution of the Service in substitution from another contractor; and
 - 6.13.4 claim damages for any additional costs, loss or expenses incurred by AAM which are in any way attributable to the Supplier's failure to complete the Service on the due date.
- 6.14 Early completion shall not entitle the Supplier to early payment.
- 6.15 Supplier must inform AAM Representative immediately of any circumstance or event that prevents, delays or alters performance of the Contract. If such circumstances will result in a change in the time allowed for performance or in a claim for additional costs AAM must be informed in writing within 10 business days of the event.
- 6.16 Where the Service is to be completed in stages, the Contract will be construed as a single contract in respect of each stage. Nevertheless, failure by the Supplier to complete any one stage shall entitle AAM at its option to treat the whole Contract as repudiated.
- 6.17 The Supplier will keep AAM fully informed of its progress in relation to the performance of the Service.
- 6.18 All scrap or redundant materials that have a resale value will remain the property of AAM save in respect of Waste and Recovery Material which is the subject matter of either a Recovery Contract or Waste Contract.
- 6.19 Within a reasonable time after receipt of notice from the Supplier that all of the work is completed and ready for acceptance, AAM will make such final inspections and tests, as necessary. If all of the work is found to be acceptable and in compliance with terms of the Contract AAM will issue a Certificate of Completion and Acceptance covering such work.
- 6.20 The issue of a Certificate of Acceptance, an inspection or any payment etc., shall not be construed to be acceptance of defective material or workmanship and shall not relieve the Supplier of any obligations under the Contract.
- 6.21 The Supplier shall keep a complete and accurate record on a cost accounting basis conformed to generally accepted accounting principles in England and Wales for the time being showing all expenditure and costs incurred by the Supplier in performing the Contract. AAM shall have the right from time to time upon request to inspect such record.
- 6.22 Where the price of the Contract is wholly or partly dependent upon the time taken by the Supplier to execute the Contract, the Supplier shall keep a complete and accurate record of the time spent and AAM shall have the right from time to time upon request to inspect such record.

7 PROVISION OF RENTAL EQUIPMENT

- 7.1 The Rental Equipment shall be delivered to the AAM Site or to such other place as is agreed prior to delivery. The Supplier shall off-load Equipment as directed by the AAM Representative.
- 7.2 The Rental Equipment shall be collected from the AAM Site or from such other place as is agreed prior to delivery.
- 7.3 The dates for delivery and collection will be specified in the Contract.
- 7.4 Time shall be of the essence.

- 7.5 If the Rental Equipment is not delivered by the due date then, without prejudice to any other rights which it may have, AAM reserves the right to:
- 7.5.1 cancel the Contract in whole or in part;
 - 7.5.2 refuse to accept any subsequent delivery of the Equipment the Supplier attempts;
 - 7.5.3 recover from the Supplier any expenditure reasonably incurred by AAM in obtaining Equipment in substitution from another contractor; and
 - 7.5.4 claim damages for any additional costs, loss or expenses incurred by AAM which are in any way attributable to the Supplier's failure to deliver the Equipment on the due date.
- 7.6 Unless otherwise agreed, delivery and collection shall only be accepted by AAM between the hours of 8.30am and 3.30pm.
- 7.7 Where AAM agrees in writing to accept delivery by instalments, the Contract will be construed as a single contract in respect of each instalment. Nevertheless, failure by the Supplier to deliver any one instalment shall entitle AAM at its option to treat the whole Contract as repudiated.
- 7.8 The Supplier will maintain the Equipment at its own expense and AAM shall, when required by the Supplier, grant access to the Equipment between the hours of [8.30am and 3.30am] for the purpose of inspection and maintenance.
- 7.9 All Products rented under the Contract shall be supplied in accordance with British Standards Institute DISC PD2000-1 "A definition of year 2000 conformity requirements" as it may be updated from time to time.
- 7.10 The Supplier warrants that they have title to any Rental Equipment, or are otherwise entitled to make it available to AAM.
- 7.11 No rental or other charge shall be payable in relation to any period in which Rental Equipment is not in use as a consequence of any defect, malfunction or breakdown.
- 7.12 The Supplier warrants that any rental rates are no higher than the standard rates and charges prevailing in the locality of the AAM Site for the hiring of similar equipment for a similar period.

8 WASTE CONTRACTS AND RECOVERY CONTRACTS

- 8.1 In relation to Waste Contracts and Recovery Contracts and without prejudice to clause 4.1:
- 8.1.1 the Supplier performing the Services shall comply with (i) all applicable legal requirements imposed by any government authority having jurisdiction; (ii) any law, regulation or requirement (national or otherwise) relating to waste; and (iii) any applicable provisions of AAM's environmental, health, safety and security guidelines and policies;
 - 8.1.2 the Supplier in the performance of the Services which it has held itself out as experienced and competent to perform shall exercise all reasonable skill, care and diligence expected of an appropriately qualified and authorised person involved in the provision of such services as the Services;
 - 8.1.3 the Supplier shall provide to AAM upon request all documentary evidence showing to the satisfaction of AAM that the Supplier has met its obligations under 8.1.1;
 - 8.1.4 the Supplier shall advise AAM, as appropriate, of any industry trends, regulatory rulings or decisions which would (i) materially affect the execution of and continued effectiveness of the Contract and/or; (ii) impose additional legal obligations, performance standards or increased costs and/or expenditures for the parties;
 - 8.1.5 the Supplier expressly warrants and agrees that it and its subcontractors are authorised to and capable of performing the Services;
 - 8.1.6 where applicable the Supplier must comply with AAM's Transport Emergency Card (Road) (TREM); and
 - 8.1.7 if the Supplier is unable to meet its obligations under the Contract it must inform the relevant AAM contact immediately (as detailed in the TREM).

8.2 In relation to Waste Contracts only:

- 8.2.1 once the Waste has been loaded onto the Supplier's vehicle and/or delivered to the Supplier's premises ownership of that Waste will transfer from AAM to the Supplier and from then onwards the Supplier will assume complete responsibility for the safe handling, transportation, storage, disposal and/or recovery of that Waste in compliance with all legal requirements;
- 8.2.2 the Supplier covenants to AAM that it will enter into contracts directly with authorised and qualified third parties for the storage, disposal and/or recovery of that Waste which transfers to it under clause 8.2.1.

8.3 In relation to Recovery Contracts only:

- 8.3.1 AAM will remain the legal owner of Recovery Material until it is transferred from a Recovery Undertaker to a third party.
- 8.3.2 AAM will enter into direct contracts with the Recovery Undertakers.

9 QUALITY

- 9.1 The Contract will be executed using all reasonable care and skill, in accordance with sound applicable professional or industry standards and practices and shall conform in all respects with the specification.
- 9.2 The Products shall be of the quality and material specified in the Order (or if none is specified, of the highest quality and best material) and shall be of the highest standard of workmanship, be without fault and conform in all respects with the Order and to the specification and/or design and/or patterns supplied or advised by AAM to the Supplier.
- 9.3 AAM relies upon the skill and judgement of the Supplier that the Products will be in a good, safe and serviceable operating condition and shall be suitable for the purpose for which AAM requires them; as such purpose is made known expressly or by implication to the Supplier.
- 9.4 AAM's rights under these Conditions are in addition to the statutory conditions implied in favour of AAM by the Sale of Goods Act 1979 and the Supply of Goods and Services Act 1982.

10 PERFORMANCE MANAGEMENT

- 10.1 AAM will monitor the Supplier's performance under the Contract.
- 10.2 The Supplier agrees that AAM or its designated agent will have the right of inspection and expediting of all work on the Products while in any stage of engineering, manufacture or installation, including attending the Supplier's premises. The Supplier must make this a condition of any subcontracted work.
- 10.3 Any inspection and expediting done by AAM or its designated agent will not relieve the Supplier of any obligations contained in the Contract.
- 10.4 If any applicable statute, regulation or order requires any inspection the Supplier shall give AAM reasonable notice when such inspection or testing is ready to be performed.
- 10.5 The Supplier agrees to meet with the AAM Representative as requested to discuss and assess the Supplier's performance under the Contract and the relationship between AAM and the Supplier.
- 10.6 The Supplier commits to continually improve the Supplier's performance under the Contract and to actively contribute to AAM's improvement processes.

11 AUDIT PROCEDURE

- 11.1 AAM shall have the right to verify all prices charged by the Supplier against the Supplier's list prices. If the information for such price verification is not readily available an annual audit will be carried out by AAM at the Supplier's place of business in accordance with the following procedure.
- 11.2 Once in each calendar year AAM shall select a representative sample of completed purchase orders and present them to the Supplier for verification of prices. Such verification shall take place with a representative of AAM present.
- 11.3 If the prices are correct no further audits will be carried out by AAM during that calendar year.

- 11.4 If discrepancies are found, AAM shall have the right to audit all completed purchase orders and the Supplier shall co-operate with all reasonable requests made by AAM and its professional advisers for access to the necessary information to undertake this exercise. The costs of this full audit shall be borne by the Supplier.

12 IMPROPER WORK, EQUIPMENT MALFUNCTION AND DEFECTS

- 12.1 If the Contract is being executed improperly AAM shall be entitled by notice in writing to require the Supplier, at no cost to AAM, to remove and re-execute properly any work which, in AAM's opinion, is not in accordance with the Contract and remove from the AAM Site within such time as may be specified in the notice any materials which in the opinion of AAM are not in accordance with the Contract and substitute proper and suitable materials.
- 12.2 If a defect appears in any Good within a period of 12 months after its putting into use or 18 months after completion of the Contract, whichever is the later, AAM shall be entitled by notice in writing to require the Supplier, at no cost to AAM, to make good any defect by repair or replacement
- 12.3 If there is a Rental Equipment malfunction AAM shall be entitled by notice in writing to require the Supplier to repair or replace any such faulty Equipment.
- 12.4 If the Supplier fails to comply with such notice within a period of 10 business days, or in AAM's opinion rectification work is urgently required and the Supplier is unable to provide such rectification in good time, AAM may recover from the Supplier any expenditure reasonably incurred by AAM in having the defect rectified (either by AAM or a third party) and may claim damages for any additional costs, loss or expenses incurred by AAM which are in any way attributable to the Supplier's failure to rectify the defect.
- 12.5 No failure of AAM to disapprove any work or materials shall prejudice the right of AAM subsequently to disapprove such work or materials.
- 12.6 Any repair work/replacement performed by the Supplier will have an additional 12-month period in which the Supplier must make good any defects and the above clauses will apply.

13 VARIATIONS

- 13.1 If AAM requires a variation to any part of the Contract both parties agree to work in good faith to agree new terms, including any changes to the Contract price. Such variation will only take effect if in writing and signed by the AAM Representative.
- 13.2 If no agreement is reached within a period of 10 working days (or such longer time as is agreed by AAM) the termination clause may be utilised.

14 NO EXCLUSIVITY

- 14.1 Unless otherwise expressly agreed in writing the Supplier acknowledges that:
- 14.1.1 AAM is not obliged to acquire any minimum quantity of the Products from the Supplier; and
 - 14.1.2 nothing in this contract will be construed as limiting AAM's right to purchase/hire Products, or similar Products from a third party at any time in any circumstance; and
 - 14.1.3 AAM has no obligation to the Supplier to seek to alter, modify or terminate any existing arrangements between AAM and third party suppliers of the Products or similar Products.

15 ALTERNATIVE SUPPLY

- 15.1 If the Supplier is unable to supply the Products in accordance with the Contract, AAM may at its option (and without prejudice to any other rights) allow a period of up to 10 business days during which AAM will make reasonable endeavours to secure completion of the Contract from the Supplier.
- 15.2 If the Supplier is still unable to fulfil its contractual obligations AAM may at its option (and without prejudice to any other rights) obtain the Products from a third party. The Supplier will be responsible for and must pay AAM all incremental costs associated with sourcing alternative supplies, including supply chain cost differentials.

16 ASSIGNMENT

- 16.1 The Supplier may not assign or transfer its rights under the Contract without the prior written consent of AAM.
- 16.2 The Supplier may not delegate, subcontract or outsource any of the Supplier's duties and/or obligations under the Contract without the prior written consent of AAM.
- 16.3 If the Supplier delegates, subcontracts or out sources any of the Supplier's duties and/or obligations under the Contract at any time, the Supplier will remain liable to AAM for the performance and discharge of the delegated and/or subcontracted and/or outsourced duties and/or obligations under the Contract.

17 HOUSEKEEPING

- 17.1 The Supplier shall at all times keep the Site in a safe and reasonably clean condition and shall from time to time upon AAM's request remove all waste material and rubbish to a place specified by AAM.
- 17.2 If the Supplier fails to comply with such a request AAM shall be entitled itself or to employ and pay other persons to remedy the breach and in either case, all costs and expenses consequent upon or incidental thereto shall be borne by the Supplier and shall be paid by the Supplier to AAM on demand.
- 17.3 The Supplier will promptly report to AAM the presence, release or discharge of pollution caused or contributed to by the Supplier or its personnel in connection with the Supplier's performance or non-performance of the Contract, or the activities conducted by the Supplier or its personnel at the Site.
- 17.4 The Supplier will, without delay, clean up and remediate, at its own cost and expense, all pollution caused by its activities to the complete satisfaction of AAM, whether such pollution was intentional, accidental or otherwise. Where the Supplier has added to pollution it will contribute to the clean up in proportion to the extent of its contribution.
- 17.5 On completion, the Supplier shall clear away and remove from the AAM Site all Equipment, tools, surplus materials (not claimed by AAM under clause 6.18) and rubbish and leave the Site clean and in a workmanlike condition to AAM's satisfaction.
- 17.6 If the Supplier fails to remove any Equipment, tools, surplus materials or rubbish within such reasonable time after completion of the Contract as may be allowed by AAM and notified to the Supplier, AAM may:
 - 17.6.1 sell any of such equipment, tools and/or surplus materials that are the property of the Supplier; the proceeds of such a sale will be forwarded to the Supplier minus costs reasonably incurred by AAM in procuring the sale;
 - 17.6.2 store such equipment, tools, and/or surplus materials until removal by the Supplier whereupon the Supplier will be liable for all related costs and expenses (including, without limitation, storage and insurance);
 - 17.6.3 return any such equipment, tools and/or surplus materials which are not the property of the Supplier to the owner thereof at the Supplier's expense.

18 PRICE

- 18.1 The price of the Product shall be stated in the Contract and, unless otherwise agreed in writing by AAM, shall be exclusive of Value Added Tax but inclusive of all other charges.
- 18.2 No variation in the price nor extra charges will be accepted by AAM unless there has been express written agreement.

19 PAYMENT

- 19.1 As a condition precedent to final payment under the Contract, the Supplier shall execute a written general release of all claims against AAM and its property, agents and employees arising under or in anyway connected with the Contract.
- 19.2 AAM shall pay the price of the Product on the last day of the calendar month following the month in which the invoice is received or the Contract is completed (whichever is later), but time for payment is not of the essence of the Contract.

- 19.3 Any rental shall be paid in monthly arrears, with the rental for each month of the period of rental becoming payable by AAM on the last day of the calendar month following the month in which the Contract began, but time for payment is not of the essence of the Contract.
- 19.4 In the event that AAM fails to make payment by the due date the Supplier will immediately notify AAM in writing that payment is due, if AAM has still not made payment within 5 business days then interest shall be payable at the UK base rate at the time payment was due. If the Supplier fails to notify AAM that payment is due then no interest shall be payable.
- 19.5 If AAM has paid a sum in the form of a deposit then this shall be returned on completion of the Contract on a pro rata basis, if the Contract has been repudiated then a full refund will be payable.
- 19.6 Without prejudice to any other right or remedy, AAM reserves the right to set off any amount owing at any time from the Supplier to AAM against any amount payable by AAM to the Supplier under the Contract or otherwise.

20 FORCE MAJEURE

- 20.1 Should either party be delayed from complying with its contractual obligations due to causes beyond its reasonable control (force majeure), such party shall be entitled to an extension of time for complying with its contractual obligations equal to such delay. Such extensions are only permissible if prompt written notice thereof is given to the causes of such delay to the other party. Force majeure includes, but is not limited to, acts of God, governmental actions, war, national emergency, terrorism, riot, civil commotion, fire, explosion, flood, epidemic, strikes or other labour dispute.

21 SUSPENSION

- 21.1 The Supplier shall, on the written order of AAM, suspend the progress of the Contract or any part thereof for such time or times and in such manner as AAM may, in such order, specify, and shall, during such suspension, without prejudice to its obligations in relation thereto under any other Condition, properly protect and secure the works (to the extent completed), any equipment and materials on the AAM Site.
- 21.2 If any suspension results in additional costs to the Supplier, the Supplier shall submit to AAM the Supplier's proposal for an increase in the price of the Contract and AAM shall as soon as practicable thereafter notify the Supplier of the amount by which the price shall be increased.
- 21.3 If the suspension continues for a period exceeding 30 days then the Supplier may terminate the Contract.

22 TERMINATION

- 22.1 AAM may at any time terminate the Contract with immediate effect if the Supplier breaches AAM's safety regulations or enters into any compromise or arrangement with its creditors, commits an act of bankruptcy or if an order is made or an effective resolution is passed for its winding up (except for the purposes of amalgamation or reconstruction as a solvent company) or if a petition is presented to court, or if a receiver and/or manager, receiver, administrative receiver or administrator is appointed in respect of the whole or any part of the Supplier's undertaking or assets, or if the Supplier ceases or threatens to cease to carry on its business, or if the financial position of the Supplier deteriorates to such an extent that in the opinion of AAM the capacity of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy.
- 22.2 AAM may at any time terminate the Contract if the Supplier commits a material breach and, following a notice of such breach, the Supplier fails to remedy the breach within 5 working days.
- 22.3 AAM may at any time and for any reason to terminate the Contract in whole or in part by giving the Supplier 30 days notice whereupon AAM shall pay to the Supplier the sum of:
 - 22.3.1 the costs incurred by the Supplier in connection with the Contract prior to such termination;
 - 22.3.2 three percent (3%) of the foregoing costs in lieu of profits;
 - 22.3.3 such other costs as AAM may approve including termination charges of subcontractors and vendors, less any amounts previously paid to the Supplier under this clause;
 - 22.3.4 in any event the sum paid shall not exceed the Contract price.
- 22.4 Upon receipt of a termination notice and subject to clause 22.7 the Supplier must:

- 22.4.1 immediately cease the supply of the Products in accordance with, but only to the extent specified in, the termination notice;
 - 22.4.2 immediately take all possible action at its cost to ensure the safety of all personnel and the protection of the Products;
 - 22.4.3 immediately take all possible action to mitigate any liabilities incurred by it as a result of such termination; and
 - 22.4.4 take any other action required by AAM in relation to the termination.
- 22.5 On the date of termination specified in the termination notice, the Supplier subject to clause 22.7 must:
- 22.5.1 provide AAM with a detailed report in such form as AAM may require in relation to the obligations performed up to and including the date of receipt of the termination notice;
 - 22.5.2 return to AAM any items issued to the Supplier by AAM during the contract term;
 - 22.5.3 offer AAM first right of refusal to purchase any of the Supplier's equipment and/or materials used for the purpose of the Contract to be purchased by AAM at its depreciated value or such other value as agreed by the Parties;
 - 22.5.4 take any other action relating to the termination of the contract as AAM may require; and
- 22.6 The termination of the Contract, however arising, will be without prejudice to the rights and duties of AAM accrued prior to termination. The Conditions under the Contract which expressly or impliedly have effect after termination will continue to be enforceable notwithstanding the termination.
- 22.7 In relation to any Waste and/or Recovery Material loaded onto the Supplier's vehicles and/or delivered to the Supplier's premises under a Waste Contract and/or a Recovery Contract prior to the date of termination specified in the termination notice the Supplier shall remain bound to perform its obligations under the Contract and the provisions of the Contract shall persist until the Supplier's duties and obligations for the relevant Waste and/or Recovered Material have been fully performed and discharged.

23 INDEMNITIES

- 23.1 The Supplier shall keep AAM indemnified in full against all direct, indirect or consequential liability, loss, damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred, suffered or paid by AAM or any Group Company as a result of or in connection with:
- 23.1.1 defective workmanship, quality or materials;
 - 23.1.2 the result of the Products not being suitable for the purpose for which AAM required them;
 - 23.1.3 the result of the Products not being in a good, safe and serviceable operating condition;
 - 23.1.4 an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Products;
 - 23.1.5 any claim made against AAM in respect of any liability, loss, damage, injury, cost or expense sustained by AAM's employees, contractors or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the breach by the Supplier of any of its obligations under the Contract;
 - 23.1.6 any breach by a Supplier of its obligations under clause 8;
 - 23.1.7 any penalty imposed for breach of any applicable law in connection with the supply of the Products or Services;
 - 23.1.8 any negligent act or omission by the Supplier or its personnel arising out of or in any way related to the Contract.
- 23.2 Each indemnity in the Contract is a continuing obligation separate and independent from the Supplier's other obligations and survives termination of the contract.
- 23.3 It is not necessary for AAM or its respective personnel to incur expense or make payment before enforcing a right of indemnity conferred by the Contract.

24 INSURANCES AND LICENCES

- 24.1 The Supplier and any sub-contractors shall be adequately insured in respect of the indemnity given in the preceding clauses and in respect of employers liability, public liability, product liability, professional indemnity, contractor's all risk or any other specific insurance requested by AAM as appropriate.
- 24.2 The Supplier must, at the Supplier's cost, maintain all relevant insurances to a level acceptable to AAM and must produce evidence of such at the request of AAM.
- 24.3 If the Supplier shall fail upon request to produce satisfactory evidence that there is in force the relevant insurances, AAM may, without prejudice to its other rights and remedies, effect and keep in force such insurance and pay such premiums as may be necessary for that purpose, AAM shall then recover such expenditure from the Supplier.
- 24.4 The Supplier must obtain all licences and permits and pay all fees required by local or other authorities in connection with the performance of the Contract; provided however, that this obligation shall not extend to any licence or permit which AAM may be required by law to obtain. Supplier shall also furnish any bonds or cash or other deposits required in the performance of the Contract.

25 SURETIES

- 25.1 If the Contract is for Services AAM may request that the Supplier deliver to AAM a bond in the form specified, duly executed by a surety or sureties acceptable to AAM.
- 25.2 If the bond has not been delivered to AAM by the date falling one month after AAM's request for the same, then, without prejudice to any other rights which it may have, AAM shall be entitled to:
 - 25.2.1 cancel the Contract in whole or in part;
 - 25.2.2 recover from the Supplier any expenditure reasonably incurred by AAM in obtaining the execution of the Contract from another supplier;
 - 25.2.3 claim such damages as may have been sustained in consequence of the Supplier's breach of the Contract.

26 PROPERTY RIGHTS

- 26.1 Materials, equipment, tools, patterns, dies, moulds and copyright, design rights or any other form of intellectual property rights in any drawings, specifications and data supplied by AAM to the Supplier for use in the manufacture of the Products:
 - 26.1.1 shall at all times as between AAM and the Supplier be and remain the exclusive property of AAM;
 - 26.1.2 shall be held by the Supplier in safe custody at the Supplier's risk and be maintained and kept in good condition by the Supplier until returned to AAM;
 - 26.1.3 shall not be disposed of other than in accordance with AAM's written instructions; and
 - 26.1.4 shall not be used otherwise than as authorised by AAM in writing or for the manufacture of the Products.
- 26.2 The property and any copyright or other intellectual property rights in any Output Material or arising out of or in connection with the Contract or relating to any process or invention which the Supplier may discover or make in the course of execution of the Contract or performance by the Supplier of its obligations under the Contract shall belong to AAM.
- 26.3 The Supplier shall, as soon as reasonably practicable, disclose to AAM any such process or invention as aforesaid and shall execute and do or procure that there is executed or done all such instruments and things as AAM may require for the purpose of vesting in AAM as sole beneficial owner such property, copyright or other intellectual property rights and/or obtaining letters patent or other protection or registration therefore or in respect thereof in any place in the world as AAM may deem fit.
- 26.4 The Supplier shall have the right to use the Output Material for the sole purpose of executing the Contract. All Output Material shall be handed over by the Supplier to AAM on demand and in any event upon completion of the Contract.

- 26.5 The Supplier warrants that in performing the Contract it will not breach the intellectual property rights of a third party or cause AAM to commit such a breach.
- 26.6 Any artefact, mineral or property of any description discovered by the Supplier or the Supplier's personnel in the course of completing the Contract shall be the sole property of AAM and the Supplier must report such a discovery to AAM as soon as reasonably practicable.

27 DISPUTE RESOLUTION

- 27.1 Each party must do, at its own expense, everything reasonably necessary to give full effect to the Contract and any transaction contemplated by it.
- 27.2 The parties acknowledge that while disputes may arise from time to time, their common intent is to ensure that any dispute is resolved in a timely and cost effective manner.
- 27.3 Notwithstanding the existence of a dispute, each party must continue to perform its obligations under the Contract, subject always to its rights of termination.
- 27.4 The parties must, before resorting to court proceedings, refer any dispute under or relating to the Contract initially to a representative nominated by AAM, and a representative nominated by the Supplier, who will in good faith endeavour to resolve the dispute within 10 business days of the giving of notice of a dispute by a party.
- 27.5 If the dispute is not resolved by the within the time specified, then either party may, in its sole discretion, initiate court proceedings.
- 27.6 A party may commence court proceedings relating to any dispute arising under the Contract at any time where that party seeks urgent or interim declaratory or injunctive relief.

28 REMEDIES

- 28.1 Without prejudice to any other right or remedy which AAM may have, whether under the Contract or otherwise, if any Products are not supplied in accordance with, or the Supplier fails to comply with, any of the terms of the Contract AAM shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Products have been accepted or are deemed to have been accepted by AAM:
 - 28.1.1 to rescind the Order;
 - 28.1.2 to reject the Products (in whole or in part) and return them to the Supplier at the risk and cost of the Supplier on the basis that a full refund for the Products so returned shall be paid forthwith by the Supplier;
 - 28.1.3 at AAM's option to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Products or to supply replacement Products and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;
 - 28.1.4 to refuse to accept any further work on the Contract;
 - 28.1.5 to carry out at the Supplier's expense any work necessary to make the Products comply with the Contract; and
 - 28.1.6 to claim such damages as may have been sustained in consequence of the Supplier's breach of the Contract.

29 NOTICES

- 29.1 A notice, approval, consent or other communication in connection with this Contract must be in writing, marked to the attention of the AAM Representative or Supplier representative and delivered personally or sent by facsimile, post or e-mail to the address specified in the Contract or to the last advised address of the addressee.

30 THIRD PARTIES

- 30.1 No person (whether natural or legal) who is not a party to the Contract shall have any rights by virtue of the Contracts (Rights of Third Parties) Act 1999.

31 GOVERNING LAW

- 31.1 These terms shall be governed by and interpreted in accordance with the laws of England and Wales, and the Supplier shall fully comply with all legal requirements governing its activity and products. The parties submit to the exclusive jurisdiction of the English courts.

32 CONFIDENTIALITY

- 32.1 The Supplier shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Supplier by AAM or its agents/contractors and any other confidential information concerning the business or its products which the Supplier may obtain, and the Supplier shall restrict disclosure of such confidential material to such of its employees, agents, or sub-contractors as need to know the same for the purpose of discharging the Supplier's obligations to AAM and shall ensure that such employees, agents, or sub-contractors are subject to like obligations of confidentiality as bind the Supplier.

33 DATA PROTECTION

- 33.1 Supplier shall comply with the provisions of the Data Protection Act 1988 in relation to its processing of any personal data coming into its possession or control for the purposes of the Contract so that it can carry out its duties under the Contract and provide the Product. In particular and without prejudice to the generality of the foregoing, shall process the data solely for the purpose of performing the Contract.

CLAUSE CHANGES QUICK LIST

PAGE/PARAGRAPH	CLAUSE	ADDED/DELETED/CHANGED	WORDING
PAGE 2	CONTRACT	ADDED	"(including Waste"
PAGE 2	BUSINESS DAY	ADDED	"any day"
PAGE 2	GROUP COMPANY	ADDED	"any company which"
PAGE 2	RECOVERY CONTRACTS	ADDED	"a Contract relating....."
PAGE 2	RECOVERY MATERIAL	ADDED	"all waste materials....."
PAGE 2	RENTAL EQUIPMENT	ADDED	"the equipment agreed"
PAGE 2	SERVICES	ADDED	"any services (including"
PAGE 2	WASTE	ADDED	"all waste materials"
PAGE 2	WASTE CONTRCTS	ADDED	"a Contract relating"
PAGE 5 PARA 5.11	DELIVERY OF GOODS	CHANGED	Delete 3.30am insert 3.30pm
PAGE 7 PARA 7.6	PROVISION OF RENTAL EQUIPMENT	CHANGED	Delete 3.30am insert 3.30pm
PAGE 7 PARA 7.8	PROVISION OF RENTAL EQUIPMENT	CHANGED	Delete 3.30am insert 3.30pm
PAGE 7 PARA 8	WASTE CONTRACTS AND RCOVERY CONTRACTS	ADDED	New clause Inserted
PAGE 8 PARA 9	QUALITY	CHANGED	Paragraph numbering changed
PAGE 8 PARA 10	PERFORMANCE MANAGEMENT	CHANGED	Paragraph numbering changed
PAGE 8 PARA 11	AUDIT PROCEDURE	ADDED	New clause added
PAGE 9 PARA 12	IMPROPER WORK, EQUIPMENT MALFUNCTION AND DEFECTS	CHANGED	Paragraph numbering changed
PAGE 9 PARA 13	VARIATIONS	CHANGED	Paragraph numbering changed
PAGE 9 PARA 14	NO EXCLUSIVITY	CHANGED	Paragraph numbering changed
PAGE 9 PARA 15	ALTERNATIVE SUPPLY	CHANGED	Paragraph numbering changed
PAGE 10 PARA 16	ASSIGNMENT	CHANGED	Paragraph numbering changed
PAGE 10 PARA 17	HOUSEKEEPING	CHANGED	Paragraph numbering changed
PAGE 10 PARA 18	PRICE	CHANGED	Paragraph numbering changed
PAGE 10/11 PARA 19	PAYMENT	CHANGED	Paragraph numbering changed
PAGE 11 PARA 20	FORCE MAJEURE	CHANGED	Paragraph numbering changed
PAGE 11 PARA 21	SUSPENSION	CHANGED	Paragraph numbering changed
PAGE 11/12 PARA 22	TERMINATION	CHANGED	Paragraph numbering changed
PAGE 12 PARA 22.5	TERMINATION	ADDED	"subject to clause"
PAGE 12/13 PARA 23	INDEMNITIES	CHANGED	Paragraph numbering changed
PAGE 13 PARA 24	INSURANCES AND LICENCES	CHANGED	Paragraph numbering changed
PAGE 13 PARA 25	SURETIES	CHANGED	Paragraph numbering changed
PAGE 13/14 PARA 26	PROPERTY RIGHTS	CHANGED	Paragraph numbering changed
PAGE 14 PARA 27	DISPUTE RESOLUTION	CHANGED	Paragraph numbering changed
PAGE 14 PARA 28	REMEDIES	CHANGED	Paragraph numbering changed
PAGE 14 PARA 29	NOTICES	CHANGED	Paragraph numbering changed
PAGE 14/15 PARA 30	THIRD PARTIES	CHANGED	Paragraph numbering changed
PAGE 15 PARA 31	GOVERNING LAW	CHANGED	Paragraph numbering changed
PAGE 15 PARA 32	CONFIDENTIALITY	CHANGED	Paragraph numbering changed
PAGE 15 PARA 33	DATA PROTECTION	CHANGED	Paragraph numbering changed