



MICHELMERSH

Britain's Brick Specialists

As 'Britain's Brick Specialists', Michelmersh Brick Holdings PLC unites the best in clay traditions. Michelmersh is the UK's premium producer of clay bricks, pavers, special shaped bricks, bespoke Terra Cotta and prefabricated products.

We have grown and innovated from brands that enjoy rich heritages, and have become some of the most trusted names behind today's prestigious built environments. The latest technology and new designs let us satisfy wider audiences and still retain our reputation for beautiful, durable, natural looking clay pieces.

Call our Central Sales Office on 0844 931 0022 for products from any of our brands, or visit us at www.mbhplc.co.uk.

DISTRIBUTOR SPECIFICATION TERMS

FACINGS, PAVERS, PURPOSE MADE AND CUT & BOND SPECIALS	TERMS
The distributor promotes an MBH product, secures specification and the product is used at list price	List price less 18%
All other distributors	List price
The distributor promotes an MBH product, secures specification and the product is used at a negotiated price below list price	Negotiated price less 15%
All other distributors	Negotiated price
The distributor promotes an MBH product for a residential housing scheme and the product is used at a negotiated price below list	Negotiated price less 10%
All other distributors	Negotiated price
An MBH account manager promotes an MBH product and secures specification at list price	All distributors get list price less 5%
An MBH account manager promotes an MBH product and secures specification at negotiated price	All distributors get negotiated price less 5%
A specifier secures and selects a product without distributor assistance	All distributors get list price less 5%

APPROVED DISTRIBUTORS' TRADING POLICY

This document sets out the trading policy of the Michelmersh Group with regard to approved distributors of Michelmersh Group products.

1 Definitions

Michelmersh Group means: Michelmersh Brick Holdings plc (company number 03462378) and Michelmersh Brick UK Ltd (company number 2527552), whether trading as Freshfield Lane, Blockleys, Charnwood, Hathern Terra Cotta or Michelmersh and any other company which from time to time becomes part of the Michelmersh Group.

'we' 'our' 'us' means: any of the companies forming part of the Michelmersh Group.

'Distributors' means: any business who has been accepted by us and registered as an approved distributor.

'Trade Marks' means: any or all of the following: Michelmersh, Blockleys, Charnwood, Hathern Terra Cotta, Freshfield Lane and any product names used from time to time by any member of the Michelmersh Group.

2 Use of Distributors

2.1 We actively encourage and pursue a policy of trading through Distributors and where we deem it to be appropriate we will refer customers wishing to order our products from us to our Distributors to supply our products directly to those customers.

2.2 We reserve the right not to trade with any Distributor and to cease trading with any Distributor at any time.

2.3 Any business wishing to become an approved distributor should complete the application form set out in Appendix 1 and return the same by post to Michelmersh Brick UK Ltd at Freshfield Lane, Danehill, Haywards Heath, West Sussex.

2.4 Being appointed as one of our Distributors does not create any obligation on our part to refer customers to you for the sale of our products nor to sell our products to you on any special terms or at preferred rates. We reserve the right at our discretion to sell our products directly to any customer or third party at any time and for any price.

2.5 If we agree to appoint you as one of our Distributors this will be on a non-exclusive basis. We retain the right to appoint other distributors who may operate in the same geographic location as you.

2.6 In some instances we may collaborate with Distributors in jointly negotiating the provision of our products to end-customers - in such circumstances, the price quoted to the end-customer shall always be one set by the Distributor.

3 Sales of Our Products

3.1 All orders for the purchase of our products shall be made using the Michelmersh Group's Standard Terms & Conditions in force at the date of sale, the current version of which is available on our website at www.mbhplc.co.uk.

3.2 No order placed with us will become a binding contract until we have sent an acknowledgement of order form to you.

4 Prices

4.1 Our products will be sold to you at our list price in force on the date of despatch to you of our products. From time to time we may offer prices and discounts for certain products. We are under no obligation to offer all of our Distributors the same or any discount or special price. Any discount or special price offered to you by us does not commit us to sell the same or similar products to you at that price at any other time.

4.2 You are at liberty to sell our products to your customers at whatever price and on whatever terms as you think fit.

4.3 Some end-customers require us to quote directly to them. Where it is not appropriate or convenient for us to supply the products direct ourselves to the end-customer, we shall inform the end-customer that we are referring the potential order to a suitable Distributor and that the Distributor may offer the end-customer a different price. In such circumstances we do not expect the Distributor to sell our products at the prices we have quoted to the end-customer.

5 Distributor's Responsibilities/Obligations

5.1 You shall not have any authority to make any representation or give any warranty or make any promises or guarantees about our

products without our prior written consent beyond those contained in any promotional literature supplied by us to you.

5.2 All sales of our products made by you to a customer, whether that customer was introduced by us to you or not, shall be made on your own terms and conditions of sale.

6 Project Registrations

6.1 If you wish to register any build projects with us please provide full details of the site details, specifier, customer and project details. No project will be registered by us until we have confirmed registration in writing. We reserve the right to decline to register any project at our total discretion.

6.2 Any changes to a project registration must be agreed by us. No changes will be accepted by us unless and until the change has been confirmed by us in writing.

6.3 A project registration is valid for a period of four months from the date of acceptance by us unless otherwise agreed in writing. Once expired, the registration will become void and removed from the system unless the Distributor notifies us of its current status before expiry.

6.4 We reserve the right to contact or write to any specifier, contractor or end user involved in a registered project, as well as the right to pursue and attain our own specification.

7 Trade Marks

7.1 Once you have been appointed as one of our Distributors you will be entitled to use the Trade Marks in the promotion, advertisement and sale of our products on a non-exclusive basis. We may revoke this licence at any time by notice in writing.

7.2 By agreeing to become one of our Distributors you accept that our products are to be sold by you under the Trade Marks. You will not, without our prior written consent (such consent to be withheld in our entire discretion) alter, deface or remove any reference to the Trade Marks, any reference to us or any other name displayed on our products or their packaging or labelling.

7.3 You will not sub-licence, transfer or otherwise deal with the rights of use of the Trade Marks; nor will you do or omit to do anything in your use of Trade Marks that could adversely affect their validity.

8 Delivery

8.1 Delivery dates and estimates are not guaranteed, and time, delivery dates or estimates shall not be of the essence. We shall not be liable for delivery delays including, but not limited to, delays due to reasons outside of our control, the production process, quality control or variability of the Distributor's or its customers' demands. Further information regarding delivery is set out in our Standard Terms & Conditions (see clause 6).

9 Complaint Procedure

9.1 Subject to clause 9.3, in the event that a complaint is made to a Distributor by its customers (other than one relating to shortages or damage to products) we will assist the Distributor in dealing with any such complaint quickly and efficiently. If requested we will arrange to attend any site to inspect issues relating to the quality of our products within 48 hours of receiving notification.

9.2 We will undertake to assess and communicate the proposed course of action in accordance with Michelmersh Group's Quality Assurance Procedures.

9.3 In respect of a complaint made to the Distributor by its customers which relates to a delayed delivery. We will provide the Distributor, as we deem appropriate, with information regarding the targeted delivery dates, however, as per clause 8, delivery dates and estimates are not guaranteed.

10 Lost Projects

10.1 Commission paid on lost projects will be capped at 10%

MICHELMERSH BRICK UK LTD CONDITIONS OF SALE

1 Formation

These conditions of sale set out the basis upon which we, Michelmersh Brick UK Ltd (reg no. 2527552) registered office: Freshfield Lane, Haywards Heath, Sussex RH17 7HH whether trading as Michelmersh, Charnwood, Hathern Terra Cotta, Freshfield Lane or Blockleys, have agreed to sell our products to you. These terms may not be varied unless agreed by us and confirmed in writing.

2 Estimates

2.1 All written estimates provided by us to you are open for acceptance for a period of four months from the date of the estimate unless previously withdrawn by us. If you wish to accept an estimate you must do so in writing. We will not become contractually bound to supply our products to you until we have confirmed your order in writing.

2.2 All Bespoke Product and Select Order Forms accepted by you in accordance with the time period specified in such a document will be binding upon us following receipt.

3 Descriptions

All descriptions and samples of our products provided to or made available to you are approximate only and are intended to serve as a guide only. Samples will be provided from bulk production and it is not possible to guarantee an exact match. No contract entered into by you with us will be a sale by description or sample or both.

4 Price

4.1 Unless otherwise agreed in writing with you the price of our products is

- (a) the price prevailing on the date of despatch of our products to you;
- (b) includes the cost of delivery, packaging and mechanical offload at the agreed delivery address; and
- (c) is exclusive of VAT which shall be paid in addition at the rate in force on the date of invoice

4.2 We reserve the right to increase prices

- (a) in respect of any order placed with us where you require delivery of our products over a period exceeding six months, to our then list price prevailing on the date of despatch of our products;
- (b) at any time prior to delivery of our products where there has been an increase in the cost of (i) raw materials or (ii) labour or service, to reflect any such increases.

5 Payment

5.1 We shall be entitled to invoice you on or any time after delivery of any of our products to you.

5.2 All sums are payable at or by the end of the month following the month in which we issue our invoice.

5.3 If you fail to pay any amounts owing to us on their due date for payment then we reserve the right to charge you interest at the rate of 4% per annum above the base rate from time to time of Barclays Bank plc. Such interest shall accrue on a daily basis from and including the date for payment until the date of actual payment whether before or after judgment.

5.4 If we have to issue proceedings against you for the recovery of all or any monies owing by you to us then in addition to all

amounts owing to us including interest, we shall be entitled to claim reimbursement of all legal and other costs incurred by us in taking such action on a full indemnity basis.

5.5 Time for payment of our invoices shall be of the essence of our contract with you.

6 Delivery

6.1 Delivery dates referred to in any estimate/quotation or acknowledgement of order are approximate only and time, delivery dates or estimates shall not be of the essence of any contract with you.

6.2 We shall not be liable for any delay in delivery of our products (in respect of the Select Order Process or otherwise) including, but not limited to, delays that are caused by reasons or events outside of our control, or due to the production process, quality control or variability of your demands.

6.3 Delivery of an order will be completed

(a) where we deliver to you, when our products are offloaded at the specified delivery address; or

(b) where you collect our products from us, when we have loaded our products onto your vehicle.

6.4 We will if requested in writing deliver an order in instalments. Each instalment delivered to you will be deemed to be an independent contract and we shall be entitled to invoice you in respect of every instalment delivered. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

6.5 We will give you as much notice as possible of each intended delivery date. Deliveries may be made at any time between 7am and 5pm. It is your responsibility to ensure that your representative is available on site to take delivery of and sign for our products. If you fail to take delivery any of our products we shall return them to our depot and be entitled to recover from you our haulage costs incurred in respect of the wasted journey.

6.6 Without limiting in any way this clause 6, we shall not be liable to you for any delays in delivering our products to you where

- (a) you fail to have a representative at the delivery address to sign for the delivery;
- (b) delivery is other than to a location adjacent to a main highway and/or our driver deems it to be unsafe to drive over any access route on or to the site or where to do so could cause damage to our or our haulier's vehicle; or
- (c) you wish to collect a delivery from our depot and we consider your vehicle to be unsuitable to transport the ordered products.

6.7 You are under a duty to inspect our products on delivery.

6.8 Any discrepancy with a delivery (i.e. shortages, incorrect or damaged products) should be noted on the delivery ticket and also notified to us in writing within seven days of the delivery date. Any claim received after this time will not be considered.

6.9 In the event that any of our products delivered to you are short or damaged we reserve the right, at our option, to replace the products or to refund the cost of the products to you. We shall not however be under any obligation to replace or refund the cost of damaged products where a delivery has been unpacked and products distributed across your site or where the products have already been wholly or partially incorporated into any works.

6.10 Delays in delivery of any order shall not entitle you to refuse to

take delivery of any order, claim damages or terminate this contract.

6.11 If you refuse to take delivery of our goods you will be liable to us for any loss we incur arising from your neglect or refusal to take delivery and also for our reasonable charge for the care and custody of our products until delivery can be effected.

7 Risk and Title

7.1 Risk in our products shall pass to you on delivery whether delivery is affected by us or where our products are collected by you from our depot.

7.2 You are required to keep our products fully insured in their full replacement value against all insurable risks from and including the date of delivery until the date title to the goods passes to you. Until the full price of our products have been paid you will hold in trust for us the policy and proceeds of insurance.

7.3 Notwithstanding delivery of our products and risk in them passing to you in accordance with this clause title in the goods shall not pass to you until whichever is the first to occur of the following

(a) receipt by us of payment in full for our products plus any default interest thereon and no other amounts being outstanding from you to us in respect of other products supplied by us;

(b) sale by you of our products to an independent third party and in which case title to the said goods shall be deemed to have passed to you immediately prior to delivery of products to your customer; or

(c) us waiving our right in respect of our products in which case title to those products shall forthwith vest in you.

7.4 Pending the passing of title in our products to you, you shall

(a) not dispose of, charge or encumber our products in any way; and

(b) store our products separately and mark them so that they may be readily identified as our property.

7.5 Until you have paid us in full for all amounts owing under all contracts between us

(a) you shall hold our products for us upon trust;

(b) in the event of the sale of our products by you you shall hold the proceeds of sale on trust for us in a separate bank account opened by you for this purpose; and

(c) we shall be entitled to trace all proceeds of sale received by you through any bank account or other account maintained by you.

7.6 Before title passes to you under this clause and without prejudice to our other rights we reserve the right to recover or resell our products or any of them and may enter upon your premises for this purpose.

8 Exclusion of Liability

8.1 You acknowledge that you are buying in the course of your business and that you have not relied upon our skill or judgment as to whether our products are fit for your particular purpose even in circumstances where you have explained that purpose to us.

8.2 All conditions, warranties and representations implied by common law, statute or otherwise (including without limitation any implied condition, warranty or representation as to correspondence of the goods with any description given, satisfactory quality or fitness for any particular purpose) are excluded or otherwise waived by you.

8.3 We shall not be liable to you for any loss or damage whether consequential or indirect and whether arising in contract or tort

(including negligence) arising out of or in connection with clause 6.2, clause 10 and products supplied to you. Non exhaustive illustrations of consequential or indirect loss would be loss of profits, loss of contracts, damage to your property or that of anyone else or personal injury to you or anyone else (unless the injury is caused by our negligence).

9 Events of Default

If:

9.1 (a) you fail to pay any or all of our invoices when they fall due for payment or otherwise breach this agreement (and in the case of any breach being remediable fail to remedy it within seven days after receiving written notice to do so);

(b) you appear to be unable to pay your debts as they fall due; or

(c) steps are taken to propose any composition or arrangement involving you or your creditors, or to obtain an administration order or appoint any administrative or other receiver or manager in relation to or put in force any legal process against you or any of your property or wind up or dissolve you or where you are an individual or partnership you or any partner dies or any steps are taken with a view to making a bankruptcy order against you or any partner or any compromise or voluntary arrangement with your creditors is entered into

then we may treat the contract as being at an end. We may require you to return unpaid for products to us (or indemnify us if we have to repossess them ourselves) and we may suspend any further deliveries to you.

10 Force Majeure

We accept no liability for any delay or failure to deliver the goods to you arising from circumstances outside of our control.

11 Product Returns

11.1 We may, at our sole discretion, permit you to return any standard products to us within [three months] of the date of delivery of those products to you, if those standard products are surplus to your requirements provided

(a) the products are not damaged and are returned to us in good condition in their original packaging; and

(b) you have notified us in writing in advance of the quality and type of products to be returned to us and agreed with us the time and location where the products are to be returned.

11.2 We will refund to you the price for the returned Products, which we have agreed to accept, less 25% and any haulage costs incurred by us. We will issue a credit note to your account within 30 days of receipt of and acceptance by us of the products.

11.3 Unfortunately we cannot accept the return of any bespoke or special shaped bricks or associated products for any reason unless the provisions of clause 6.9 apply.

11.4 For the purposes of this clause 11 standard products shall mean any machine made products which are not bespoke or special shaped bricks and associated products.

(d) As part of the order process we will have agreed a fixed price with you for the products. No variation to that price will be made save as provided in clause 11.9. The provisions of clause 4.1 and 4.2(a) shall not apply to orders using the Select Order Process.

12 Select Order Process

12.1 The Select Order Process allows the products ordered by an Approved Distributor only to be stored by us at our premises pending delivery in accordance with a pre-agreed delivery schedule (the Call Off Schedule). Subject to clause 6.2, we will aim to deliver the products to you, when required in accordance with the Call Off Schedule. The provisions of this clause 12 shall apply to all orders using the Select Order Process.

12.2 The Call Off Schedule will be set out in our estimate. If no Call Off Schedule is pre-agreed with us you shall be entitled to request delivery of up to such quantity of products that can be delivered on one articulated vehicle per week to your designated site by notice in writing. Subject to clause 6.2, the Call Off Schedule will specify:

- (a) the quantity of products to be delivered by us to your designated site;
- (b) the frequency of deliveries (i.e. weekly/monthly or on demand);
- (c) the latest date by which delivery of all products forming part of your Select Order Process order is to be made (Longstop Date);
- (d) if no Longstop Date is agreed we shall be entitled to deliver the balance of products held by us for you for each Select Order Process order no later than six months after acceptance of your Select Order Process order by us.

12.3 To accept an estimate for the supply and delivery of our products using the Select Order Process you must confirm your order in writing and pay a deposit equal to the cost of 10,000 bricks of the ordered brick type or such other deposit specified in our estimate.

12.4 Payment of the deposit does not constitute acceptance of your order and we will not become contractually bound to supply our products to you until we have confirmed receipt of your order and deposit in writing.

12.5 Once your order has been accepted we will retain the deposit paid and offset this against our final invoice for the relevant Select Order Process order. If we do not accept your order your deposit will be refunded.

12.6 The provisions of clause 6 above shall apply to the delivery of our products ordered using the Select Order Process.

12.7 Once your order has been accepted by us in writing in accordance with clause 12.4 we will notify you when the products have been manufactured and are available for inspection. You will have seven working days from the date of written notification that the products are available for inspection. If you do not inspect and accept the products within this time period you will be deemed to have accepted them.

The provisions of clauses 6.6-6.11 above will apply to each batch of products delivered to you in accordance with the Call Off Schedule.

12.8 Fees and Payment

- (a) We shall be entitled to invoice you on or any time after delivery of any products delivered to you in accordance with the Call Off Schedule.
- (b) The provisions of clauses 5.2-5.5 shall apply to all orders made and accepted using our Select Order Process.
- (c) Any deposit held by us will be retained and set off against the last invoice raised by us for products ordered using the Select Order Process.

(d) As part of the order process we will have agreed a fixed price with you for the products. No variation to that price will be made save as provided in clause 12.9. The provisions of clause 4.1 and 4.2(a) shall not apply to orders using the Select Order Process.

12.9 Latest Drawdown

If we are still holding any products for you on the Longstop Date we will at our discretion (but without any obligation so to do):-

- (a) either agree in writing with you to retain the balance of products held by us for a Select Order Process order at our premises for such time as may be agreed with you (and where appropriate revisions to the Call Off Schedule) and during any extended storage period you will pay us such fee as we shall agree for the continued storage costs; or
- (b) subject to clause 6.2, deliver to you the balance of products held by us. Such charges are payable monthly in advance plus VAT. If any monies are owing to us by you at any time we reserve the right:
- (c) to suspend delivery of any products in accordance with the Call Off Schedule;
- (d) to deliver the balance of products held by us to you immediately;
- (e) to demand immediate payment of all amounts owing to us.

12.10 Suspension

If you fail to pay any invoice on the due date for payment we reserve the right to suspend delivery of any products in respect of all orders placed with us using our Select Order Process.

12.11 Termination of Select Order Process Order

If an event of default arises as described in clause 9 above then we reserve the right at our discretion to:

- (a) either deliver the remaining products held by us under each Select Order Process order in place with you immediately and to raise an invoice for the same; or
- (b) cancel the Select Order Process order or orders in which case we will be relieved of our obligation to deliver any further products to you

Upon termination for any reason the deposit paid to us will be set off against all invoices owing to us and any balance will be retained by us. In addition all outstanding invoices on the date for payment will fall due for immediate payment without further notice.

13 Governing Law

This contract is governed by and shall be interpreted in accordance with the laws of England.

BESPOKE PRODUCT / SELECT ORDER FORM

CUSTOMER DETAILS

Ltd / PLC*

SITE ADDRESS

*Delete as appropriate

PRODUCTS (a)

Plant	Quantity	Brick Type	Price
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>

OTHER DETAIL (b)

The products referred to in this order are Standard Products* and/or Bespoke Products* and/or Special Shape Products*

*Delete as appropriate

MANUFACTURING / DELIVERIES (c)

Delivery address: as 'Site Address' above or 'other' please detail:

SIGNATURES (d)

On Behalf of Customer:

Name:

Title:

Signature:

Date:

On behalf of Michelmersh Brick UK Ltd:

Name:

Title:

Signature:

Date:

The manufacture of the Products will not commence until a signed copy of this Order Form has been received by us. By signing and returning this Order Form to us you acknowledge that you wish to purchase the Products described herein subject to our Conditions of Sale which are set out in this document. We will advise you in writing of any delay to the start date of manufacture and/or the delivery date arising from your failure to return the signed order form at least seven working days prior to the start date for manufacture specified in box (c).

Please sign and return this order form to Michelmersh Brick UK Ltd, Freshfield Lane, Danehill, Haywards Heath, Sussex RH17 7HH or email: sales@mbhplc.co.uk

Registered office: as above Registered No: 2527552 (England & Wales)

SELECT ORDER PROCESS

NOTIFY

- The end user notifies distributor of their intention to use MBH product using our Select Order Process
- Distributor in turn notifies MBH

ORDER

- End user places order with distributor
- Distributor places the order and deposit with MBH

ACKNOWLEDGE

- MBH acknowledge receipt of order and deposit and include the T&C's for Select Order Process
- Product is manufactured, dependent upon size of order, and set aside at the relevant MBH site

APPROVE

- Contractor and distributor inspect and approve the set aside product for quality prior to despatch
- A delivery schedule is agreed. If no schedule is notified then a maximum of one artic load per week is available. However, as per clause 6 of our Conditions of Sale, please note that delivery dates and estimates are not guaranteed

DESPATCH

- MBH agree to hold the stock for a pre-agreed period of time to suit the required schedule and call-off programme. A longstop date will be pre-agreed as part of the contract. However, as per clause 6 of our Conditions of Sale, please note that delivery dates and estimates are not guaranteed

INVOICE

- Goods are invoiced in the usual way upon despatch with the deposit being matched off against the final invoice

DEFAULT

- If the goods are not despatched by the longstop date MBH reserve the right to put product back into stock or deliver and charge the customer at our discretion

The above procedure must be read in conjunction with section 6 and 12 of our 'Conditions of Sale'. If there is any conflict between the terms of the above procedure and section 6 and 12 of the Conditions of Sale, the terms of the Conditions of Sale shall prevail.



MICHELMERSH
Britain's Brick Specialists

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