

**Standard Terms & Conditions for Acceptance of Purchase Orders by Leggett & Platt, Incorporated and its Affiliates
(Revised November 12, 2015)**

1. **APPLICABILITY.** These Standard Terms & Conditions ("Standard Terms"), shall apply to all purchase orders submitted by any customer ("Buyer") of European Springs, a division of Leggett & Platt, Incorporated and/or its affiliates (collectively, "L&P") regardless of the form or medium of the purchase order and to the exclusion of any other terms (including terms and conditions included with the Buyer's purchase order) unless such terms are expressly agreed in writing between L&P and the Buyer. No variation of these Standard Terms shall be binding unless agreed in writing between duly authorised representatives of L&P and the Buyer.
2. **ACCEPTANCE OF ORDERS.** All Buyer purchase orders shall be deemed accepted when L&P issues an order acknowledgment to Buyer or when L&P begins performance of the order. Each purchase order accepted by L&P shall constitute a separate contract between L&P and the Buyer subject to these Standard Terms (each a "Contract").
3. **SHIPMENT/DELIVERY DATES.** The delivery date is only an estimate of when the goods will be shipped and time shall not be of the essence. L&P shall use reasonable efforts to meet any shipment or delivery date stated in any Contract, but L&P assumes no liability for loss or damage (including any direct, special, or consequential damages) due to delays or failure to meet any Buyer-specified delivery date. If L&P cannot meet such shipment or delivery date, it will promptly notify Buyer. Buyer will designate common carriers for the shipment of all goods (but if Buyer fails to designate a carrier, L&P shall have the right to select a carrier on Buyer's behalf). To the extent a quoted price for any goods does not expressly include shipping, the cost thereof shall be paid directly by Buyer. L&P reserves the right to make delivery in instalments (including both advance shipments and back orders). All such instalments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. Delivery of an instalment shall not relieve Buyer of its obligation to accept remaining deliveries. L&P shall have no responsibility to ship goods to any location other than those in the European Economic Area unless Buyer has previously secured all applicable permits and licenses for the transfer of goods.
4. **TAXES/DUTIES.** Applicable sales, excise, use, value add and other taxes, and import/export duties and other charges, are in addition to any prices quoted by L&P and shall be paid by Buyer.
5. **PRICE CHANGES.** The price shall be as set forth in the Contract and due within thirty (30) days of delivery unless otherwise agreed in writing. With respect to any "open" or "blanket" purchase order of Buyer, or if any Contract contemplates the purchase/sale of goods or services beyond a 6 month period, L&P may from time-to-time (but no more than once in any 6 month period) increase the price of any particular goods or service by an amount proportional to any increase in L&P's labour, utility or other verifiable costs respecting such goods or service. Additionally, in the event L&P's raw material costs materially increase, L&P may pass on such increases to Buyer at any time. Prices shall be adjusted to L&P's prices in effect at the time of shipment.
6. **CREDIT; LATE PAYMENTS.** Any obligation of L&P to extend credit to Buyer is conditional upon Buyer's timely payment of invoices, and upon the continued financial stability of Buyer. L&P reserves the right to limit, cancel or revoke credit of Buyer at any time for any reason, and L&P may require or demand payment or adequate assurances of performance from Buyer prior to performing any aspect of the sale of goods or services hereunder. Late payments on invoices shall bear interest at 3% per annum above the base rate of Barclays Banks PLC from time to time in force and shall be calculated and accrue on a day to day basis from the date on which payment fell due until payment (whether made before or after judgment has been obtained against you). L&P shall be entitled to recover its costs of collection of any past due invoice, including court costs and reasonable attorneys' fees. Buyer agrees that L&P shall have the right to obtain financial information on a quarterly basis and shall be entitled to annual tax returns.
7. **WARRANTY.** L&P warrant that the goods or services will comply in all material respects with L&P's published specification for the good and services and be substantially free from defects in material and workmanship. L&P's sole and exclusive warranty obligation for all goods and services that are or become defective in material or workmanship within sixty (60) days from the date of shipment or performance shall be limited to the replacement or repair of the defective goods or services free of charge within a reasonable time. L&P's warranty obligations hereunder are contingent upon the following conditions: L&P is promptly notified of the defect; Buyer establishes to L&P's reasonable satisfaction that any goods have been properly handled, stored, installed, maintained and operated; the goods were not materially altered; the defect did not occur after receipt of shipment; and upon L&P's request, Buyer will return the defective goods or services or part thereof to L&P. The foregoing warranty is a limited warranty, and is in lieu of all other warranties, express or implied. Except as expressly stated in this section, L&P disclaims and does not make any additional representations, warranties and/or indemnities, conditions or other terms of any kind (whether by implication or operation of law) with respect to the goods or services, including without limitation any representations, warranties and/or indemnities as to satisfactory quality, fitness for a particular purpose, price, patent or any other matter. This section survives the termination or cancellation of a Contract.
8. **LIMITATION OF LIABILITY.**
 - a. Nothing in these Contract shall exclude or limit L&P's liability: (i) for death or personal injury caused by its negligence; (ii) for fraudulent misrepresentation or for any other fraudulent act or omission; (iii) for breach of any statutorily-implied term as to title to the goods; (iv) under Part I of the Consumer Protection Act 1987; or (v) for any other liability which may not lawfully be excluded or limited.
 - b. Subject to clause 8(a), L&P shall not be liable to the Buyer, whether in contract, tort (including negligence), breach of statutory duty, under any indemnity or otherwise, for any:
 - i. loss of profit;
 - ii. loss of sales, turnover, revenue or business;
 - iii. loss of customers or contracts;
 - iv. loss of or damage to reputation or goodwill;
 - v. loss of opportunity;
 - vi. loss of anticipated savings;
 - vii. loss or waste of management or other staff time;
 - viii. indirect, special or consequential loss; arising under or in connection with a Contract, whether or not such loss was foreseeable or if L&P was advised of its possibility.
 - c. Subject to clause 8(a), L&P shall not be liable, whether in contract, tort (including negligence), breach of statutory duty, under any indemnity or otherwise, for any loss, damage, expense or liability incurred or sustained as a result of: (i) the use of any

- goods or services except for its normal intended purpose; (ii) any adaptation, modification or repair of any goods or services, or integration or combination with any other product or material not supplied by L&P, in each case carried out by anyone other than L&P or without the L&P's express written consent; (iii) any defect arising in any goods as a result of fair wear and tear, or misuse, wilful damage, negligence on the part of anyone other than L&P; (iv) the compliance by L&P with any design, specification or instructions provided by or on behalf of the Buyer; and/or any materials provided by on behalf of the Buyer.
- d. Subject to clauses 8(a) and 8(b), L&P's total liability to the Buyer arising under or in connection with the Contract or its subject matter and to anything which it has done or not done in connection with the same, whether in contract, tort (including negligence), breach of statutory duty, under any indemnity or otherwise, shall be limited, in aggregate for all claims arising, to all amounts paid or payable by the Buyer under the Contract.
9. **RISK OF LOSS; TITLE.** Possession and risk of loss for all goods shall pass to Buyer upon L&P's delivery of such goods to any carrier, common or otherwise. Title to such goods shall not pass until they have been fully paid for by Buyer in cleared funds. Until such time as title to such goods passes to the Buyer, L&P shall be entitled, at any time, to require the Buyer to deliver up the goods to L&P and, if the Buyer fails to do so forthwith, to enter, or instruct its third party agents to enter, upon any premises of the Buyer or any third party where the goods are stored and repossess the goods. Buyer shall have been deemed to have accepted the goods and services as delivered within five (5) business days of delivery unless Buyer shall notify L&P of any deficiency in writing.
10. **ASSIGNMENT.** Buyer shall not sub-licence or assign, sub-contract or delegate any or all of its interest, rights and obligations under any Contract without L&P's prior written consent.
11. **INDEMNITY.** To the maximum extent allowed by law, Buyer shall reimburse, indemnify and hold L&P and its employees and agents harmless from and against any claims, demands, liabilities, damages, suits, judgments, losses, costs and/or expenses (including legal fees and other expenses of any litigation) suffered and paid by L&P (collectively, "Losses") that relate to or arise on account of (a) Buyer's negligence, use, ownership, maintenance, transfer, transportation or disposal of the goods and services delivered by L&P or (b) Buyer's violation or alleged violation of any applicable law.
12. **INTELLECTUAL PROPERTY.**
- a. All intellectual property rights in the goods or services, their design, manufacture, labelling and packaging are reserved to L&P or its licensors. If Buyer provides L&P with any specifications for goods or services to be furnished by L&P, Buyer shall reimburse, indemnify, defend and hold L&P harmless from and against any Losses concerning, arising out of or relating to any claimed or actual infringement of any patent, copyright, trade secret or other intellectual property rights of any third party respecting such goods or services.
 - b. Any goods or services or any improvement to any goods or services developed by L&P, and any method or process of production in respect of the goods or services or improvement thereto developed by L&P, shall be the sole property of L&P unless separately agreed to in writing.
 - c. Buyer may use but not alter or modify in any way L&P's trademarks only to sell new L&P goods or services purchased by Buyer directly from L&P, and for no other reason. Buyer shall not take any or fail to take any action that may dilute L&P's trademarks. The Buyer shall not remove, alter or obscure any intellectual property rights acknowledgment or marking included by L&P on the goods or services, their labelling or packaging. All goodwill in Buyer's use of L&P's trademarks shall inure to the benefit of L&P.
 - d. Except as expressly set forth herein, (i) L&P shall have no obligation to sell, assign, license, or transfer intellectual property of any kind to Buyer, and (ii) Buyer shall have no right to use any intellectual property of L&P without the express written consent of L&P, which may be withheld in its sole discretion. L&P may enforce this Section through injunction or otherwise.
13. **FORCE MAJEURE.** L&P shall be temporarily excused from performance under any Contract to the extent such non- performance is caused by acts of God, war, terrorism, riot, embargoes, fire, floods or other severe weather problems, accidents or other casualty, quarantine restrictions, factory conditions, labour disputes, governmental acts, orders or regulations, delays in transportation, shortage of transport vehicles, labour or materials or other circumstances beyond the reasonable control of L&P. L&P shall use all available commercially reasonable efforts to remedy the circumstances causing the non-performance, or shall take steps to work around such circumstances. Promptly after the circumstances causing the non-performance are remedied, L&P shall resume performing.
14. **TERMINATION.** L&P may terminate any Contract, including open or continuing purchase orders: (i) on ten days' notice to Buyer, for any or no reason, or (ii) immediately, if Buyer fails to timely pay for goods delivered or services rendered, breaches any of its other obligations under any Contract, violates or refuses to abide by or acknowledge these Standard Terms, or threatens any of the foregoing. Buyer has no right to terminate for convenience. Buyer may only terminate for L&P's material breach L&P, after written notice, fails to cure within 30 days of receipt of such notice. Any termination by Buyer must be in writing. In the event of a termination by Buyer or L&P for any reason other than a material breach by L&P that L&P fails to cure, Buyer shall pay L&P termination charges consisting of all of L&P's costs and expenses incurred in connection with L&P's performance (including without limitation labour, material and overhead), all costs and expenses incurred as a result of termination
15. **MISCELLANEOUS.**
- a. Buyer shall have no right to (i) inspect L&P's facilities, (ii) examine L&P's books, records or other documents, or (iii) seek or obtain any information from L&P deemed proprietary or confidential by L&P in its sole discretion, without the express written consent of L&P obtained in each instance, which consent may be withheld in L&P's sole discretion.
 - b. L&P shall have no obligation to sell or otherwise transfer any raw materials, work-in-progress, tools, dies, jigs, fixtures, moulds, patterns, templates, models, mock-ups, gauges, drawings, equipment/machinery or other means of production to Buyer except where the same was specifically designed, developed and/or purchased by L&P solely for Buyer's account under a bona fide Contract and has been fully paid for by Buyer.
 - c. While L&P shall reasonably maintain all tooling owned by Buyer in L&P's possession, L&P shall have no liability for the damage or loss of any tooling, equipment or other property unless such damage or loss arises out of the negligence of L&P.
 - d. L&P shall have no obligation to comply with any agreements between Buyer and any third party unless L&P is furnished a written copy of such agreement and expressly agrees to so comply in a signed writing after L&P's receipt of such copy.
 - e. L&P shall not be required to obtain any property, liability or other type of insurance for its own account or for the account of Buyer or its property.
 - f. L&P shall not be required to arbitrate any claim against Buyer or Buyer's customers or agents, or bring or defend any such claim in any particular forum.
 - g. Buyer shall have no right to dictate personnel changes in L&P's workforce, or to mandate labour union relations, affiliations or other changes to L&P's workforce management or labour relation policies.
 - h. L&P shall have the right to manufacture any goods for Buyer in any of its facilities without Buyer's prior approval or consent.
 - i. Buyer shall have no right to notice of any sale of stock or assets of L&P so long as the same occurs in the ordinary course of L&P's business. In addition, no sale of L&P's stock or assets shall give rise to any Buyer right of termination of any Contract with L&P.
 - j. L&P's alleged or actual default with respect to any particular Contract shall have no effect on Buyer's obligation to perform under any other Contract between Buyer and L&P, nor shall Buyer have any right of setoff against L&P with respect to any such other Contracts.
 - k. In the event of any formal dispute resolution proceeding between the parties, the prevailing party shall be entitled to recover its reasonable legal fees and other expenses of dispute resolution, such as arbitrator fees, case filing fees, costs of

transcription and expert witness fees.

- i. No term of the Contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to the Contract.
 - m. The parties agree to comply with all applicable commercial and public anti-bribery laws, including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.
 - n. Buyer hereby represents and warrants that neither Buyer, nor any persons or entities holding any legal or beneficial interest whatsoever in Buyer, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time, an event of default will be deemed to have occurred without the necessity of notice to Buyer.
16. **WAIVER.** Either party hereto may waive any requirement, condition or obligation to be performed by the other party, provided any such waiver is in writing and executed by the party waiving the requirement, condition or obligation and shall be specifically designated as a waiver hereunder with reference to the applicable section. A waiver by a party of any breach of any term, covenant, or condition contained herein to be performed by a party, or the delay, forbearance, indulgence or failure of a party in exercising any right hereunder on account of such breach, or the partial exercise of such right, shall not be deemed a waiver of any subsequent breach of the same term or any other term, covenant or condition hereof.
 17. **SEVERABILITY.** If any provision of a Contract or any related document or instrument is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be either reformed by a court of competent jurisdiction to reflect the intent of the parties, or deleted from the Contract by the court, whichever course of action in the opinion of the court would best reflect the intent of the parties, taking into consideration all provisions of this Contract. If a provision is deleted, the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by severance herefrom.
 18. **GOVERNING LAW AND JURISDICTION.** The Contract is governed by English law. The parties submit to the exclusive jurisdiction of the English courts, but L&P is entitled to apply to any court worldwide for injunctive or other remedies in order to protect or enforce its intellectual property rights and/or confidential information..
 19. **STATUTE OF LIMITATIONS.** Any action resulting from any breach on the part of L&P as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.



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