

1st May 1999

MacDONALD HUMFREY / AUTOMATION / LIMITED
Progress Manor,
29 - 35 Bolton Road,
Luton,
Bedfordshire,
LU1 3HY

FAO: Managing Director

Dear Sir,



Littlewoods
RETAIL LIMITED

Head Office

Sir John Moores Building
100 Old Hall Street
Liverpool
L70 1DX

Telephone 0151 235 2222

SUPPLIER GOODS AND SERVICES NOT FOR RESALE AGREEMENT

Littlewoods has recently undertaken a strategic review of its supplier relationships and purchasing processes. One result of this review has been the rationalization of our supplier base. We are pleased to advise you that our review process has identified you as a supplier with whom we would hope to develop a long-term trading relationship.

An integral component of the strategic review has been the revision of our Supplier Agreement (Terms and Conditions). The revised Supplier Agreement will become effective from 1st May 1999 and will form the basis of trade with our supplier base. Originals of the Supplier Agreement are enclosed.

In line with our new procedures, the Supplier Agreement will form the basis for our future business needs and will apply to all Orders. Each Order raised will be a separate contract based on the terms and conditions in the Supplier Agreement. From 1st May 1999 there will be an Acceptance Section on the Order which you should sign and return to confirm acceptance of the Order.

Please sign and return one original of the enclosed Supplier Agreement. No variation to the Order or the Supplier Agreement shall be binding unless agreed in writing between an authorised representative of Littlewoods Retail Limited and your Company.

We are confident that the revised procedures will deliver efficiencies within our Procurement Function and provide opportunities for significant business growth. We look forward to receiving the signed Agreement at the earliest opportunity. If you require any further clarification please do not hesitate to contact the Procurement Department at the above address.

Yours faithfully,

for and on behalf of
Littlewoods Retail Limited

Littlewoods Retail Limited

Registered Office
Sir John Moores Building
100 Old Hall Street
Liverpool L70 1DX

Registered in England No 421258
VAT Registration No 163 7696 28



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