

# PURCHASE ORDER TERMS & CONDITIONS

- 1. In these Conditions of Purchase Order the following definitions shall apply:**
  - 1.1 "the Buyer" means Lovell Partnership Limited ;
  - 1.2 "the Seller" means the person or company with whom the Buyer has placed the Contract;
  - 1.3 "the Goods" means the subject matter of the Contract;
  - 1.4 "the Specification" includes the description of the Goods set out in the Contract, any drawings forming part of the Contract and any samples or patterns referred to in the Contract;
  - 1.5 "the Contract" means the Buyer's enquiry, its Purchase Order and any supplement thereto and the Seller's acknowledgement thereof (if any) but excluding any terms or conditions of contract in which the Seller's acknowledgement is made;
  - 1.6 "the Purchase Order" shall mean the document issued by the Buyer to the Seller defining the materials, goods and/or services to be provided together with any requirements, documents listed or referred to, and these conditions.
  - 1.7 "Authorised Site Personnel" means the Buyer's site manager at the site to which the goods are delivered and any other person named in the Purchase Order or from time to time in writing by the Buyer to the Seller.
  - 1.8 "Fixed Price Period" means the period of time set out on the Order during which the price cannot be altered by the Seller
- 2. Basis of Contract**

These conditions shall form the basis of the Contract. Unless any terms or conditions to which the Seller's offer is made subject are expressly accepted by the Buyer in writing and referred to or appended to the Purchase Order they shall be deemed to be excluded from the Contract.

  - 2.1 Where such terms or conditions are included in the Contract but conflict with the Buyer's Conditions then the latter shall take precedence.
  - 2.2 [No person is authorised by the Buyer to amend this Purchase Order or the Contract in any respect (except Authorised Site Personnel in matters concerning delivery times) other than by issue of written instructions on a further Purchase Order.]
  - 2.3 Any performance or partial performance by the Seller of its obligations under this Contract shall constitute acceptance of the Order.
  - 2.4 No claim for payment shall be valid unless supported by an official Purchase Order and/or Purchase Order reference number and related delivery note signed by the Authorised Site Personnel of the Buyer (referred to on the Purchase Order).
- 3. Quality and Quantity**
  - 3.1 It is a condition of the Contract that the Goods delivered by the Seller shall:
    - 3.1.1 correspond as to description, quality and conditions with the particulars stated or referred to in the Purchase Order;
    - 3.1.2 conform with any sample, pattern, drawing or design approved in writing or supplied by the Buyer;
    - 3.1.3 be of sound materials and workmanship;
    - 3.1.4 meet any standard or inspection or performance stated or referred to on the order or otherwise communicated by the Buyer to the Seller;
    - 3.1.5 be fit for any purpose expressly or impliedly made known to the Seller, or otherwise for their ordinary purpose;
    - 3.1.6 comply with the relevant requirements of common law and any statute, statutory rule or order or other regulation having the force of law which may be in operation on delivery. In particular but without prejudice to the generality of the foregoing, the Seller undertakes to comply in every respect with the requirements of the Health and Safety at Work Act 1974;
    - 3.1.7 where the goods or materials are required for inclusion in works in which the Buyer is the contractor, the goods or materials shall be to the satisfaction of the Buyer and any architect/engineer/employer's agent or supervising officer named in the construction contract to which the Buyer is a party.
    - 3.1.8 where applicable be of equal or greater quality or standard than any appropriate British Standard or European Directive current at the date of this Purchase Order.
- 4. Time of Delivery and Vesting of Goods**
  - 4.1 The time for delivery of Goods shall be of the essence. Unless agreed by the Buyer in writing Goods shall be delivered during normal business hours. Dates for delivery shall be as set out in the Buyer's Purchase Order unless otherwise agreed by the Buyer in writing. Time shall also be of the essence for any extension of time for delivery and/or performance agreed by the Buyer.
  - 4.2 The Seller is required to advise the Buyer forthwith of any holiday closures and/or restrictions on the manufacture and delivery process that could impact upon the delivery dates of the Goods ordered.
  - 4.3 If Goods are not delivered by the due time, the Buyer may, without having any liability to the Seller, cancel in whole or in part the Contract and shall be entitled to purchase replacement goods from an alternative source. Any additional cost incurred as a result of cancellation of the Purchase Order under this clause shall be paid by the Seller to the Buyer.
  - 4.4 Risk in all Goods sold to the Buyer shall not pass to the Buyer until they have been unloaded at the Buyer's premises. The Seller shall insure the Goods in transit until delivery to the Buyer's premises for all risks for an amount equal to 110% of their value. The Seller shall procure that the Buyer's interest is noted on such policy of insurance and hold any proceeds of such insurance on trust for the Buyer if any such Goods are damaged or destroyed in transit.
  - 4.5 The Goods shall become the property of the Buyer after he has accepted them at the place designated in the Contract for delivery. The Goods shall remain at the risk of the Seller until an authorised signatory of the Buyer has accepted delivery thereof.
  - 4.6 Where the Buyer collects materials from the Seller the Goods shall become the property of the Buyer after loading by the Seller onto the Buyer's vehicle.
  - 4.7 Any delivery note must be signed by the Buyer's Authorised Site Personnel. The Buyer's signature on

- a delivery note shall be evidence that materials have been delivered but not that the materials delivered are in accordance with the Specification or that the quantities stated upon the delivery note are correct.
  - 4.8 The delivery note must contain details of the Order number, project name and number and all quantities and descriptions contained in the Order
- 5. Inspection and Testing**
    - 5.1 All Goods shall be new, unless the Buyer has otherwise agreed in writing. The Buyer or his nominee shall have access to any premises at any reasonable time before delivery to inspect and test the Goods and shall also have the right to inspect and test them before acceptance at the place of delivery. Such tests shall include any inspection as the Buyer may think fit and shall not be limited to quality assurance testing controls and inspections. Notwithstanding any inspection or test made by the Buyer, the Seller shall inspect and test the Goods at his expense before delivery. The Seller shall give at least 7 days notice to the Buyer of his intention to carry out such inspection or test and the Buyer or his nominee shall be entitled to attend.
  - 6. Seller's Default**
    - 6.1 Where all or any part of an order or batch of Goods fails to satisfy any of the conditions of the Contract relating to specification, quality, quantity, materials, workmanship and/or design the Buyer may at the Buyer's option reject either all of the order or batch of Goods or part of such order or delivery of Goods.
    - 6.2 At the Buyer's option, any Goods which are rejected shall be either replaced by the Seller within 3 days or the Buyer may cancel without liability to the Seller the contract relating to such rejected Goods and shall be entitled to a full refund of the price relating to such rejected Goods if the Buyer has paid for such Goods.
    - 6.3 Rejected Goods may, at the Buyer's option be made available for collection by the Seller and shall be collected within 7 days of the Seller being notified of their rejection or shall be sold by the Buyer for the price attainable by the Buyer and credit shall be given by the Buyer for the amount the Buyer received for the rejected Goods. The cost of any storage by the Buyer and/or collection of the rejected Goods shall be borne by the Seller.
    - 6.4 In the event of the Seller's default under clauses 4.3 or 6.1 the Seller shall be liable for and shall indemnify the Buyer for all loss damage expense and costs incurred by the Buyer which arise as a result of such defaults. The Seller acknowledges that breaches of clauses 4.3 and 6.1 may lead to the imposition of liquidated and ascertained damages against the Buyer by its customer under the building contract and the Buyer may suffer losses arising out of the prolongation or disruption of the building contract which shall include but not be limited to its own losses and those of sub contractors engaged by the Buyer.
  - 7. Price and Payment**
    - 7.1 The price for the Goods shall be as set out on the Buyer's Purchase Order and unless otherwise so stated shall be inclusive of all charges for packaging, packing, shipping, carriage, unloading, insurance and/or delivery of the Goods and any duties imposts or levies other than the value added tax.
    - 7.2 No increase in the price may be made during the Fixed Price Period (whether on account of increased material, labour or transport cost, fluctuation in rates of exchange or otherwise). Thereafter, no increase in the price shall be made without the Buyer's prior written consent.
    - 7.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase and/or volume of purchase customarily granted by the Seller.
    - 7.4 The Seller shall invoice the Buyer following satisfactory completion of the Purchase Order unless the Buyer has agreed to interim invoices in which event the Seller shall invoice in duplicate on a monthly basis and the Buyer will pay the Seller 30 days from the end of the month in which the invoice was received.
    - 7.5 It shall be a condition precedent to payment that the Seller's invoice shall include details of the site to which the Goods are delivered, the Buyer's project name and number and the order number. All invoices shall be delivered to LOVELL PARTNERSHIPS LIMITED MARSTON PARK, TAMWORTH, STAFFORDSHIRE, B78 3HN.
    - 7.6 The pricing structure on the Seller's invoice must replicate the pricing structure on the Order (e.g. Order shows timber type, length and quantity; Seller's invoice must show timber type, length and quality). In the event the Seller fails to provide details in accordance with this clause the Buyer may make payment at its absolute discretion
    - 7.7 If the Buyer fails to make payment to the Seller in accordance with clause 7.4 the Buyer shall pay to the Seller in addition to the amount not paid simple interest thereon for the period from when payment fell due to the date payment is made. The rate of interest shall be 2% over the Base Rate of the Bank of England current at the date of the Seller's default. The Seller acknowledges that such rate is a substantial remedy for late payment (as defined in the Late Payment of Commercial Debts (Interest) Act 1998) by the Buyer
  - 8. Set off**
    - 8.1 The Buyer shall have the right to set off against any amount due from him to the Seller any sum or sums which at the date of payment falling due are due and owing to the Buyer under any contract whatsoever between either the Buyer and the Seller [or between the Buyer and any company which is either a subsidiary of the Seller within the meaning of Section 736 of the Company's Act 1985 or which is an associated company of the Seller in which the Seller owns or holds more than 50% of the share capital].
  - 9. Assignment**
    - 9.1 The Seller shall not assign the Contract. The Seller may sub-let any part of the Contract if the Buyer so agrees in writing (such consent not to be unreasonably withheld) and will supply such copies of its subcontract as the Buyer may require. The Buyer's agreement shall not relieve the Seller of any of his obligations under the contract. The Seller shall not be entitled to assign or factor any debt

- under the Contract
  - 9.2 Within 10 working days of a request to do so, the Seller shall obtain such warranties and guarantees from its subcontractor in such form as the Buyer may stipulate in favour of the Buyer or any third party who will have an interest in the Goods or the building in which the Goods are incorporated.
- 10. Intellectual Property Rights**
    - 10.1 The Seller shall be liable for and shall indemnify the Buyer and its successors in title and assigns against all loss, damage and expense resulting from any and every infringement of patents, copyright, registered design or trade mark resulting from the use of/supply of Goods against this Purchase Order.
    - 10.2 The Seller grants to the Buyer a royalty free irrevocable non-exclusive licence to copy and use any design in relation to the Goods for any purpose for which the Goods are to be utilised.
    - 10.3 The copyright in all drawings, plans specifications and any other documentation provided by or on behalf of the Buyer to the Seller shall remain vested in the Buyer or whoever prepared the documents on its behalf and must not be shown or copied to any third party without the Buyer's express consent being obtained in advance and in any event upon the condition of a similar condition being imposed upon any third party. Such documents shall be returned to the Buyer immediately upon receipt.
  - 11. Variations**
    - 11.1 The Contract is limited to the provision of the Goods mentioned herein and the Buyer accepts no liability for any Goods supplied over and above the stated quantity.
    - 11.2 Unless stated to the contrary, all prices incorporated in the Contract are fixed and exclusive of VAT. Alterations to the scope, quality and quantity of the Goods or to the price can only be made with the written consent of the Buyer. In the event that the Buyer requests a variation, the Seller shall provide its proposals for the variation including the price within 14 days of the Buyer's request and the Buyer and Seller shall agree the cost implications of the variation within 10 days of receipt of the variation information from the Seller. If agreement cannot be reached, the Buyer may still instruct the Seller to undertake the variation and shall pay the seller a fair and reasonable price for the same.
  - 12. Design and Professional Indemnity**
    - 12.1 The Seller confirms that if its services include a design element, its price is fully inclusive of all design costs including provision of such drawings, specifications and other design documents as the Buyer may from time to time request.
    - 12.2 The Seller confirms that it has received the Buyer's schedule for production of its design and will submit its design to the Buyer in strict accordance with such schedule.
    - 12.3 No approval comment review or inspection of the Seller's design by the Buyer shall limit or discharge the liability of the Seller to the Buyer under this Contract.
    - 12.4 The Seller confirms that it shall take out and maintain professional indemnity insurance or product liability insurance in relation to the design of the Goods for a minimum amount of £1,000,000 on each and every claim basis for a period of 12 years from the date of delivery of the Goods to the Buyer.
  - 13. Indemnity and Insurance**
    - 13.1 The Seller shall indemnify and hold the Buyer harmless against any loss, damage, liability, cost, claims whether direct or indirect suffered by or brought against the Buyer arising from the Goods supplied or in any work carried out by the Supplier under the Contract whether in respect of injuries to or death of any person including employees of the Seller or of damage to any property or in the performance of the Contract by the Seller or resulting from any defect in the Goods provided that such loss, damage, liability, cost or claims does not arise from any negligence on the part of the Buyer, its employees, servants or agents.
    - 13.2 The Seller will at all times during the Contract maintain adequate policies of insurance in respect of damages to or loss of (whether in whole or in part) the Goods whilst the property thereof rests with the Seller, any injury or death of any person (including employees of the Seller and the Buyer) and loss of or damaging arising from the performance of the Contract. The Seller shall produce to the Buyer when required to do so the relevant policies of insurance and the receipt for current premiums.
    - 13.3 The Seller shall at all times observe, perform and comply with all statutory and other obligations and shall indemnify and keep indemnified the Buyer from and against all or any breach or non-compliance with or non-performance of any such obligations.
  - 14. Termination**
    - 14.1 The Buyer shall be entitled to cancel the Contract in respect of all or part of the Goods by giving notice to the Seller at any time prior to the due date for performance and/or delivery without any liability to the Seller.
    - 14.2 Either party may immediately terminate the Contract by written notice to the other party where the other party is:
      - 14.2.1 in breach of the terms of the Contract and where the breach is capable of remedy, has not remedied the breach within 14 days of receiving notice for requiring the breach to be remedied;
      - 14.2.2 ceases or threatens to cease to carry on business;
      - 14.2.3 proposes to compound with its creditors, applies for an interim order under Section 252 of the Insolvency Act 1986, has a bankruptcy petition presented against it, enters into voluntary or compulsory liquidation, as a receiver, an administrator or administrative receiver appointed over all or any of its assets or takes or suffers any similar or analogous action in any jurisdiction.
  - 15. Defects Liability**
    - 15.1 The Seller shall remedy, at his expense, all defects that may arise in the Goods through faulty

- workmanship, material or design within a period of 12 months from the date of delivery of the Goods. The Buyer shall have the right to assign to his customer the benefit of this warranty. The Seller shall indemnify the Buyer against the cost of any work done by the Buyer, or of damage which he is liable to rectify, resulting from defects in the Goods and against all other cost, losses, expense and liabilities direct and consequential, incurred by the Buyer as a result of defects in the Goods. If the Seller does not fulfil his obligations under this clause within a reasonable time of the Buyer giving him notice so to do, the Buyer may carry out such obligations, but without prejudice to any right of the Buyer arising from the defects so remedied.
  - 15.2 If the Buyer specifies a required performance or must satisfy a performance specification for the Goods, the Seller shall be deemed to have warranted that the goods will attain the required performance and/or satisfy the performance specification notwithstanding any other provisions of the Specification. The Buyer is at all times relying on the skill and knowledge of the Seller. Should the Goods fail to maintain the required performance/performance specification during the period specified in clause 15.1 such failure shall be considered a defect within the meaning of this clause.
- 16. Confidentiality**
    - 16.1 The Seller shall not disclose any information provided to it by the Buyer to any third party save for the purposes of making a declaration to its insurers. The Seller shall not for the purposes of publication take nor permit to be taken any visual records nor make any other publication in connection with the supply of materials, goods and/or services to the Buyer unless written permission has first been obtained from the Buyer.
  - 17. Provision of Information and Compliance with Statute**
    - 17.1 The Seller shall deliver with each consignment of Goods such written information as may be reasonably necessary for the proper handling, use, processing, installation, storage and maintenance of the Goods without risk or damage or injury to persons or property.
    - 17.2 Under the COSHH regulations the Seller is to provide upon delivery to site documentary assessment/data sheets of all Goods covered by this regulation.
    - 17.3 Where the Seller is delivering Goods on a vehicle with any mechanical off loading facility, the operator must be the holder of the appropriate competency certificate (i.e. Construction Industry Training Board) for safe operation of the same.
    - 17.4 The Seller shall indemnify the Buyer against all losses, cost and damages incurred in connection with the breach of this clause by the Seller.
  - 18. Bribery Act compliance**

The Seller warrants that:

    - 18.0 it is fully aware of the provisions of the Bribery Act 2010 and that it has not and will not commit any act or omission which would place the Seller or the Buyer in breach of the Bribery Act 2010, whether in connection with the Contract or otherwise; and
    - 18.1 there is no outstanding investigation of it under any bribery legislation and in the last six years it has not been convicted of any offence under any bribery legislation or reached any settlement in relation to any alleged breach of any bribery legislation and has not self-reported any breach or suspected breach of any bribery legislation;
    - 18.2 it will comply with the most recent guidance issued by the Secretary of State pursuant to the Bribery Act 2010; and
    - 18.3 it will procure that each of its suppliers, agents or others performing services on its behalf complies with this clause; and
    - 18.4 it will report to Lovell any suspicion of any breach or alleged breach of any bribery legislation, including by any of its suppliers, agents or others performing services on its behalf, and co-operate with Lovell and/or any regulator and/or procurator in any investigation relating to the same.
- The Seller shall be liable for, and indemnifies the Buyer against, any expense, liability, loss, claim or proceedings whatsoever in respect of any breach by the Seller of the provisions of this clause.
- In the event of any breach by the Seller of the provisions of this clause, the Buyer shall be entitled by notice to the Seller to terminate the employment of the Seller under the Contract. Such termination shall be treated as termination under clause 14.2 of the Contract.
- 19. Third Party Rights**
    - 19.1 The following third parties shall have the right to enforce the Buyer's right under the Contract:
      - 19.1.1 any person employing the Buyer as building contractor;
      - 19.1.2 the first purchaser or first tenant of the property in which the Goods are installed;
      - 19.1.3 any person providing finance in relation to a construction project in which the Goods are installed.
    - 19.2 Save as aforesaid no party shall have the right to enforce the terms of this contract.
  - 20. General**
    - 20.1 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Conditions and the remainder of the provision in question shall remain in force and effect.
    - 20.2 The Seller undertakes that whilst working upon any premises or site occupied by the Buyer it shall observe all the Buyer's site rules, health and safety regulations, if requested to do so by the Buyer the Seller shall attend any site or health and safety induction course. If any of the Seller's servants or agents commits any breach of the Buyer's site rules or health and safety regulations, the Buyer shall be entitled to request the Seller to remove such servant or agent.
    - 20.3 The construction validity and performance of the Purchase Order shall be governed by English Law and the party shall accept the jurisdiction of the English Court.