

PURCHASE ORDER TERMS AND CONDITIONS (2014)

Where a Frame Agreement is in place with Compass Contract Services (UK) Limited ("Customer") the conditions of the Frame Agreement shall apply to all Goods and/or Services to be supplied by the Seller to the Customer during the period of such appointment. If there is any conflict between this Purchase Order and the Frame Agreement the conditions of the Frame Agreement shall apply. Where there is no Frame Agreement in place these Purchase Order conditions are the only conditions that apply and supplant any terms and/or conditions presented by the Seller inter alia through its own terms and conditions, quotations, delivery note and/or invoice.

1. DEFINITIONS

"Contract" means the agreement between the Customer and the Seller including these Conditions, the Order and any Specification and also including any other document which the Customer and the Seller have expressly agreed in writing shall be incorporated into the Contract.

"Customer" means the Compass Contract Services (UK) Limited, its legal successors in title and assignees.

"Goods" means the articles or items described in the Contract and such packaging as may be necessary for the immediate containment or handling of the Goods but excluding additional cartons, cases and other similar containers used for convenience of distribution.

"Order" means this purchase order for the Goods and / or Services issued to the Seller by the Customer.

"Delivery" means delivery of the Goods at the place specified in the Order.

"Seller" means the person, firm or company or its parent company, subsidiaries, affiliates, and any other companies within its control with whom the Contract is made and (where the context so permits) his legal successors, permitted assigns and subcontractors

"Services" means the services described in the purchase order.

"Specification" means the description and drawings (if any) of the Goods contained or referred to in the Contract or in any Order.

"Price" means the price or prices for the Goods set out in the Contract.

2. DOCUMENTS

The Seller shall:

- (i) clearly mark the outside of each consignment or package with the Seller's name and the Customer, together with the Customer Order number and full details of the destination in accordance with the Order and include a Packing Note stating the contents
- (ii) send to the Customer a detailed priced Invoice as soon as is reasonably practicable after the despatch of each consignment or the provision of the Service.
- (iii) state on every such Packing Note, Advice Note, Invoice or other document relating to the Order, the Order Number and Code Number (if any).

3. QUALITY

- (i) The Goods and/or Services shall conform as to time, quantity, quality and description with the Contract. The Goods shall be of satisfactory quality and delivered with reasonable skill and care to the standard of any special expertise offered and in any event to industry norms and sound materials and workmanship and fit for their intended purpose within the time scale and specification agreed between the parties. If samples or patterns are provided, the Goods shall correspond in all respects to the samples or patterns. If a standard of performance is specified, the Goods and/or Services shall be capable of the required performance.
- (ii) Services will be carried out by appropriately qualified and trained personnel using all reasonable skill and care and to such high standard of quality as is reasonable for the Customer to expect in all circumstances.
- (iii) If any Services are not performed or accepted by their due date, or fail to comply with the provisions of the Contract by reason of (without limitation) their quality, quantity or otherwise, then the Customer may, at its sole discretion, cancel the relevant Contract and/or purchase order in whole or in part, and:
 - (a) direct the Seller to, whereupon the Seller shall immediately, re-perform or rectify performance of such Services, so that they comply with the terms of the Contract; or
 - (b) purchase equivalent Services from another supplier and recover from the Seller any additional costs incurred by the Customer in obtaining such equivalent Services from that other supplier.

This Clause shall apply to Services re-performed or rectified as it does to Services as originally performed.

- (iv) The rights of the Customer under this Clause are without prejudice to any other rights it may have under or in connection under the Contract or at law or any rights of the Customer under the Frame Agreement.
- (v) The making of any prior payment shall not prejudice the Customer's rights under this Clause.
- (vi) The Seller will be responsible for providing all facilities, labour, materials, tools, equipment and for provision and supervision of all personnel necessary for performance of the Services.
- (vii) The Seller shall procure that personnel performing Services while on premises owned, accessed or controlled by the Customer shall observe all site rules and regulations applicable to such premises and notified to the Seller and the Seller indemnifies the Customer from all claims and liabilities arising from any failure by such personnel to observe such rules and regulations. The Seller shall remove from performance of the Services forthwith at the Customer's request any of its personnel failing to observe such rules and regulations.
- (viii) All Goods supplied shall be supplied with the benefit of the manufacturers guarantee and / or any other warranty the manufacturer may provide

4. PACKAGING AND MARKING

- (i) The Goods shall be carefully packed and protected in accordance with good and safe practice in a manner suitable to the type and nature of the Goods, and the means of transport being used and in accordance with any special requirements stated in the Contract.
- (ii) Without prejudice to Clause 7, the Seller shall cause all Goods (including all external packaging) supplied to the Customer to be suitably and sufficiently marked, endorsed and labelled with information and advice necessary to instruct and warn such persons into whosoever hands the Goods shall come about any hazards to health and/ or safety arising from despatching, receiving, handling, using or possessing the Goods and also about the necessary precautions to be taken in respect thereof. Provided however that if it shall not be reasonably practicable to mark, endorse or label the Goods accordingly, the Seller shall fully instruct and advise such persons by any accompanying notice at the time of despatch and take all necessary steps to ensure such notice is given to all persons into whose hands Goods shall come.

5. INSPECTION AND TESTING

- (i) Before despatching the Goods, the Seller shall carefully inspect and test them at their own cost for compliance with the provisions of the Contract. The Seller shall, if requested by the Customer, give the Customer reasonable notice of such inspections and tests and the Customer shall be entitled to be attend and / or be represented thereat. The Seller shall at his own expense also supply to the Customer certificates of the results of inspections and tests in such form as the Customer may require.
- (ii) It is expressly agreed that the Customer will be entitled at any reasonable time to inspect and test the Goods during manufacture, processing or storage, and the Seller shall at his own expense provide or procure the provision of all such facilities as may reasonably be required by the Customer therefore.
- (iii) If as a result of any inspection or test under paragraph (i) or (ii) of this Clause the Customer representative is of the opinion that the Goods do not comply with the Contract or are unlikely on completion of manufacture or processing so to comply, the Customer shall notify the Seller and the Seller shall take such steps as are necessary to ensure such compliance.
- (iv) Nothing in paragraphs (i), (ii) or (iii) above nor any failure by the Customer to exercise its right thereunder shall release the Seller from any of his obligations or liabilities under the Contract or affect the Customer's rights and powers under the same.

6. DELIVERY

- (i) Where a time for delivery is specified in the Order, time of delivery is of the essence of the Contract. If no time of delivery is specified, delivery shall be within a reasonable time of the Order being made by the Customer.
- (ii) The Goods and/or Services shall be delivered as provided for in the Contract.
- (iii) Where the Order provides for delivery within a specified time, that time shall run from the date of despatch to the Seller of the Order.

- (iv) The Customer shall not be obliged to take delivery of any Goods tendered before the time(s) or date(s) shown in the Order and may return any Goods so tendered to the Seller at the Seller's risk and expense.

7. PASSING OF PROPERTY

The property in each part of the Goods shall pass to the Customer on delivery provided that where the Customer rejects any part of the Goods, property in that part shall revert to the Seller.

8. PRICE AND PAYMENT

The Price and the terms of payment are as shown in the Order. Unless otherwise expressly stated in the Order:

- (i) all prices are fixed prices and include all taxes, customs, duties and other public dues, except VAT and shall be in sterling; and
- (ii) payments shall become due an average of 75 days after all documents referred to in, or required to be delivered by the Seller to the Customer under, Clause 2 have been received by the Customer.

9. STATUTORY AND OTHER REGULATIONS

- (i) The Seller shall comply with the provision of all statutes and orders and regulations made there under and of any competent authority having jurisdiction in England, Scotland, Wales, Northern Ireland and the Republic of Ireland applicable to the Goods and/or Services. Such compliance shall be at the sole expense of the Seller save where the date on which such provision would come into force was not known at the date of the Order.

Without prejudice to the generality of the foregoing, the Seller shall comply with all such provisions relating to or affecting the health and/or safety of anyone delivering, receiving, handling, using or possessing the Goods and/or Services. Furthermore the Seller shall comply with any health and safety or other regulations governing premises owned or occupied by the Customer of which the Seller has been made aware and with any directions given to the Seller by the location manager or his representative.

10. REJECTION AND TERMINATION

- (i) The Customer may by notice to the Seller reject the whole or any part of the Goods and/or Services if the Seller fails to comply with his obligations under the Contract and may by further notice terminate the Contract forthwith without compensation.
- (ii) The Customer shall, when giving notice of rejection, specify the reasons therefore and where relevant shall thereafter return any rejected Goods to the Seller at the Seller's sole risk. In such cases the Customer may require the Seller, within a reasonable time, to replace such rejected Goods with Goods which are in all respects in accordance with the Contract, but shall have the right to obtain other goods in lieu thereof from other sellers or not to replace them at all.
- (iii) Without prejudice to any other rights of the Customer, the Seller shall be liable for the cost of returning the rejected Goods and if, upon the Customer requesting replacement, the rejected Goods are not replaced by the Seller to the Customer's satisfaction within a reasonable time, the Seller shall pay for any additional costs, damages, losses and expenditure, suffered by the Customer by reason of the Seller's breach including, but not limited to, any costs in excess of the price of the rejected Goods incurred by the Customer in obtaining other goods in replacement and shall repay any money paid by the Customer to him in respect of the rejected Goods, upon demand by Customer.
- (iv) The Customer shall be entitled to terminate this agreement without cause on giving the Seller at least 30 days written notice.
- (v) In addition to 10(i) and (iv) above the Customer shall be entitled to terminate this Agreement immediately without liability by giving notice in writing at any time if the Seller:
 - (a) makes or proposes any voluntary arrangement with its creditors (within the meaning of insolvency legislation) or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order, is wound up or goes into liquidation (other than for the purpose of a solvent amalgamation or reconstruction), or;

- (b) has a receiver, administrative receiver, administrator or similar officer appointed over any of their property or assets, or documents are filed at court or any action taken in relation to the appointment of an administrator;
 - (c) ceases, or threatens to cease, to carry on business;
 - (d) is unable to pay its debts as they fall due; or
 - (e) suffers the occurrence of an event equivalent or similar in effect to any of the above events in any other jurisdiction.
- (vi) The Customer shall be entitled to terminate this agreement immediately without liability by giving notice in writing at any time if
- (a) acting reasonably it believes that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly; or
 - (b) the Seller fails to fulfil or comply with any of its obligations under this Agreement and such failure is not remediable, or where such failure is remediable the Seller has failed to remedy such failure within 14 days of written notice from the Customer specifying the failure and requiring its remedy; or
 - (c) there is a change in Control of the Seller.
- (vii) The termination of this Agreement under these Conditions shall be without prejudice to either party's rights then accrued arising from this Agreement or any breach thereof and to any provision of this Agreement which is expressly or by implication intended to survive such termination.
- (viii) On receiving notice of termination the Seller shall:
- (a) deliver to the Customer or at its direction destroy all copies of the Customer's confidential information or media recording the work;
 - (b) provide the Customer with a detailed summary of the steps it has taken up to and including the date of its notice in performance of the relevant agreement; and
 - (c) pay to the Customer forthwith (I) any payments due to the Customer in respect of undelivered Goods or unperformed Services; (II) any Cost Savings Payments or amounts due; and (III) the amount of any liability of the Customer under any agreements entered into for the purpose of receiving the Goods and/or Services including, without limitation, under equipment leases entered in relation to the provision of Services without prejudice to any other rights of the Customer under this Agreement and/or the Frame Agreement or otherwise.

11. LIABILITY FOR ACCIDENTS AND DAMAGE

- (i) The Seller shall indemnify and keep indemnified the Customer against all actions, suits, claims, demands, costs, losses, charges and expenses suffered or incurred by the Customer to the extent that such shall have arisen out of or have been caused by:-
- a) any breach of the Contract by the Seller; and/or
 - b) any negligence of the Seller; and/or
 - c) any defective design (other than a design made, furnished or specified by the Customer and for which the Seller had disclaimed responsibility in writing within a reasonable time after receipt of the Customer's instructions), defective materials or defective workmanship.

12. INSURANCE

- (i) The Seller shall carry and maintain in force, the following insurances, to be evidenced by certificates of insurance made available to the Customer on request:
- (a) Employer's liability insurance in accordance with all statutory requirements that may be applicable to its employees, agents or sub-contractors engaged directly or indirectly in the performance of this Agreement;
 - (b) Third Party liability insurance (including Product liability) insurance or similar insurance(s) in the amount of at least £10,000,000 for any one incident and unlimited in the period of insurance but in the aggregate in respect of product liability. The Seller represents and warrants that such insurance covers any loss and damage the Customer may suffer as a result of its acts or omissions in relation to Products; and
 - (c) Motor vehicle liability insurance or similar insurance(s), complying with all road traffic legislation and all other laws relative to motor vehicles in respect of all vehicles (whether or not owned or hired) to be used in connection with the performance of this Agreement(s). This insurance shall provide unlimited cover for

personal injury including death and shall be in the amount of (i) at least £20,000,000 for the loss of or damage to material property in connection with the use of any motor car and (ii) in the amount of at least £5,000,000 for the loss of or damage to material property in connection with the use of any other insured vehicle.

- (d) Insurance cover in respect of All risks of property physically lost, destroyed or damaged extending to All real and personal property owned in whole or in part by the Seller and property held in trust or for which the Seller may have an obligation to insure or for which it deems itself responsible. Insurance cover shall extend to any premises owned, leased, used or occupied by the insured, or for which they are responsible, including premises used for storage and property whilst in transit. The Seller agrees that the insurance policy shall have an indemnity limit of £20,000,000 for each and every occurrence of Property Damage and Business Interruption combined.

13. INTELLECTUAL PROPERTY

- (i) The Seller warrants that the supply of the Goods and/or Services to the Customer and the use by the Customer of the Goods and/or Services if the Seller has been made aware of the intended use does not in any way infringe letters patent, registered designs, design right, topography right, copyright, trade mark or trade name or other intellectual property right arising from or incurred by reason of the supply of the Goods and/or Services to the Customer by the Seller except where the design for the Goods and/or Services was made, furnished or specified by the Customer and shall indemnify the Customer against all actions, claims, demands, costs, charges and expenses arising from or incurred by reason of any infringement or alleged infringement of any such intellectual property rights.
- (ii) The Seller warrants that all royalties and fees on patented articles, process and registered designs and any other intellectual property right embodied in or forming part of the Goods and/or Services have been paid and shall indemnify the Customer against all claims, which may result from any breach of such warranty.
- (iii) Title to any specifications, patterns, drawings, samples and information in whatever form issued by the Customer in connection with the Order and are confidential and their use must be confined to the Seller, his permitted sub-contractors or servants solely for the purpose of carrying out the Contract.

14. ASSIGNMENT

The Seller shall not without the prior consent in writing of the Customer assign, pledge, transfer or sub-contract the Contract or any part of it or any of his rights or obligations under it to any other person. Any such consent of the Customer shall not relieve the Seller of any of his obligations arising out of the Contract.

15. INSOLVENCY

If the Seller becomes unable to pay his debts under the Insolvency Act 1986 or any statutory modification or re-enactment thereof, or, in the case of an individual, if a petition for a bankruptcy order is presented or an application for an interim order appointing a Nominee is issued or a Deed of Arrangement executed or a composition, moratorium or arrangement is proposed to his creditors or in other cases if a petition is issued for winding-up or an administration order or a receiver or manager is appointed by the Court or by the holder of a fixed or floating charge or a resolution is passed for voluntary winding-up or the Seller proposes a composition, moratorium or arrangement to his creditors. The Customer may:-

- (i) terminate the Contract forthwith by notice to the Seller or his trustee, administrator, receiver, manager, liquidator or any other person appointed in relation to him or his assets, provided always that nothing in this Clause shall release the Seller from his obligations or liabilities under the Contract or affect the Customer's rights and powers under the same; or
- (ii) give the Seller or his trustee, administrator, receiver, manager, liquidator or any other person appointed in relation to him or his assets the option of performing the Contract subject to his providing a guarantee satisfactory to the Customer for the due and faithful performance of the Contract up to an amount to be agreed

provided always that the Customer shall not be liable to make any further payment to the Seller until all expenses and additional costs caused to the Customer (including those of obtaining replacement goods) by the aforementioned events in this Clause have been ascertained by the Customer. The Customer shall be entitled to deduct such sums from any monies owing to the Seller and if the sums so ascertained exceed the amount of any monies owing to the Seller to the Customer, the Customer shall be entitled to recover the excess as a debt due to it from the Seller.

16. SET OFF

Without prejudice to any other right or remedy the Customer shall be entitled to withhold from any monies due or which may become due to the Seller from the Customer whether under the Contract or otherwise any

sum which on the basis of its bona fide estimate the Customer considers due to it from the Seller under the Contract. Such estimate shall be binding upon the Seller until agreement between the Customer and the Seller or any Order or Judgement made in accordance with Clause 21, whichever shall be earlier.

17. CONFIDENTIALITY AND ADVERTISING

The Seller shall not disclose to any third party, save as may be required to comply with any legal obligation, any information relating to the Contract or the business of the Customer, nor shall the Seller issue nor cause to be issued any publicity or advertising relating to the Contract without the prior written consent of the Customer.

18. NOTICE

Any notice shall be in writing, in English and dated and shall be served by leaving it at, or be sending it by first class post, telex or facsimile to the address of the party specified in the Contract. Where notice is sent by post, it shall be deemed to be received two business days next following. Notice sent by telex or facsimile is deemed to be received at the time of the transmission unless outside the normal business hours of the recipient in which case receipt is deemed to be 10.00am on the business date next following. Any notice sent (and received) by facsimile shall also be sent by first class post.

19. CODE OF BUSINESS CONDUCT

The Seller shall comply with the Customer's Code of Business Conduct which should be downloaded from the following website: <http://www.compass-group.com/1124.htm>

20. PRIORITY

These Conditions of Purchase shall in all circumstances prevail over any other terms and conditions (excluding any Frame Agreement but including but not limited to any terms and conditions of the Seller) unless expressly agreed otherwise by the Customer's Managing Director, Commercial and the Contract shall be the entirety of the agreement between the Seller and the Customer.

21. GOVERNING LAW AND LANGUAGE

The language of the Contract shall be English. The Contract is governed by English Law and the Seller and the Customer hereby submit to the non-exclusive jurisdiction of the English Courts over any dispute arising from this Agreement.