

## WOODFORD HEATING &amp; ENERGY LIMITED

## PURCHASE ORDER CONDITIONS July 2015

1. Definitions. In these Conditions, the following definitions apply:

**Conditions:** the terms and conditions set out in this document as amended from time to time in accordance with clauses contained herein.

**Contract:** the contract between the Customer and the Supplier for the sale and purchase of the Goods in accordance with these Conditions.

**Goods:** the goods (or any part of them), set out in the Order (incl. Services & legal rights).

**Customer:** Woodford Heating & Energy Limited. (WH&E).

**Main Contract:** the contract between WH&E and a third party of which the Goods form part.

**Order:** the Customer's order for the Goods.

**Specification:** any specification for the Goods, including any related plans and drawings that is supplied to the Supplier by the Customer, or produced by the Supplier and agreed in writing by the Customer.

**Supplier:** the person or firm from whom the Customer purchases the Goods.

2. These Conditions apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate.
3. The Order constitutes an offer by the Customer to purchase the Goods in accordance with these Conditions.
4. The Order shall be deemed to be accepted on the earlier of:
  - 4.1. the Supplier issuing a written acceptance of the Order; and
  - 4.2. the Supplier doing any act consistent with fulfilling the Order, at which point the Contract shall come into existence.
5. The Supplier shall ensure that the Goods shall:
  - 5.1. correspond with their description and any applicable Specification;

- 5.2. be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and be fit for any purpose held out by the Supplier or made known to the Supplier by the Customer expressly or by implication, and in this respect the Customer relies on the Supplier's skill and judgement;
- 5.3. Comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods.
6. The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.
7. The Customer shall have the right to inspect and test the Goods at any time before delivery.
8. If following such inspection or testing the Customer considers that the Goods do not conform or are unlikely to comply with the Supplier's undertakings at clause, the Customer shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance.
9. Notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Goods and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract, and the Customer shall have the right to conduct further inspections and tests after the Supplier has carried out its remedial actions.
10. The Supplier shall ensure that:
  - 10.1. the Goods are properly packed and secured in such manner as to enable them to reach their destination in original condition;
  - 10.2. each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order reference, the type and quantity of the Goods (including the code reference of the Goods, where applicable), special storage instructions (if any) and, if the Goods are being delivered by instalments, the outstanding balance of Goods remaining to be delivered;
  - 10.3. if the Supplier requires the Customer to return any packaging material to the Supplier, that fact must be expressly stated in the Order. Any such packaging material shall be returned to the Supplier at the cost of the Supplier;
  - 10.4. that copies of the appropriate operating and maintenance documents be provided to the Customer for inclusion into their own submission to their Employer. The quantity required shall be notified to the supplier by the Customer or in accordance with the Main Contract documentation (which would be available upon request).

11. The Supplier shall deliver the Goods:
  - 11.1. on the date specified in the Order, or, if no such date is specified, and no sufficient confirmation of delivery date is forthcoming from the Customer in a reasonable time from the date of the order, within 28 days of the date of the Order;
  - 11.2. to the location as is set out in the Order, or as instructed by the Customer prior to delivery;
  - 11.3. during the Customer's normal business hours, or as instructed by the Customer;
  - 11.4. in accordance with the relevant BREEAM and SKA ratings as required by the Customers Employer.
12. Delivery of the Goods shall be deemed to be satisfied on the completion of unloading the Goods, in original condition, at the Delivery Location and providing all necessary documentation.
13. Delivery shall be at the Supplier's costs unless otherwise instructed on the Order.
14. WH&E may defer the date or dates of delivery of the Goods without incurring any additional liability to the Supplier whatsoever.
15. The Supplier shall not deliver the Goods in instalments without the Customer's prior written consent. Where it is agreed that the Goods are to be delivered by instalments, they may be invoiced and paid for separately. However, failure by the Supplier to deliver any one instalment on time or at all or any defect in an instalment shall entitle the Customer to the remedies set out in herein.
16. Where the goods are to be supplied in instalments, the contract is still to be treated as a single contract. If you fail to deliver or perform any instalment we may treat the whole contract as repudiated.
17. If the Goods are not delivered on the date they are due as referred to herein, or do not comply with the undertakings set out herein, then, without limiting any of its other rights or remedies, the Customer shall have the right to any one or more of the following remedies, whether or not it has accepted the Goods:
  - 17.1. to terminate the Contract;
  - 17.2. to reject the Goods (in whole or in part) and return them to the Supplier at the Supplier's own risk and expense;

- 17.3. to require the Supplier to repair or replace the rejected Goods, or to provide a full refund of the price of the rejected Goods;
- 17.4. to refuse to accept any subsequent delivery of the Goods which the Supplier attempts to make;
- 17.5. to recover from the Supplier any costs incurred by the Customer in obtaining substitute goods from a third party; and
- 17.6. to claim damages for any other costs, loss or expenses incurred by the Customer which are in any way attributable to the Supplier's failure to carry out its obligations under the Contract.
18. The Supplier shall keep the Customer indemnified in full against all costs, expenses, damages and losses (whether direct or indirect), including any interest, penalties, and legal and other professional fees and expenses awarded against or incurred or paid by the Customer as a result of or in connection with:
  - 18.1. any claim made against the Customer for actual or alleged infringement of a third party's intellectual property rights arising out of, or in connection with, the supply or use of the Goods, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;
  - 18.2. any claim made against the Customer by a third party arising out of, or in connection with, the supply of the Goods, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors; and
  - 18.3. any claim made against the Customer by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in Goods, to the extent that the defect in the Goods is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors.
19. Any breach of the Main Contract arising out of or in connection with any act or omission of the Supplier.

This clause and associated sub clauses shall survive termination of the Contract.

20. The Customer's rights and remedies under these Conditions are in addition to its rights and remedies implied by statute and common law.
21. Title in the Goods shall pass to the Customer on completion of delivery or payment whichever is the sooner. Risk shall pass on delivery. For the avoidance of doubt, and without limitation to the foregoing, the Supplier is responsible for all damage losses incurred to the Goods whilst in transit or in the care of the Supplier.

22. The price of the goods will be as stated in our order and, unless otherwise stated, will be:
  - 22.1. Exclusive of any applicable VAT (which will be payable by us subject to receipt of a valid VAT invoice);
  - 22.2. Inclusive of all charges for packing, packaging, shipping, carriage, insurance and delivery to or at the delivery address stated on the order, and of any duties or levies other than VAT;
  - 22.3. Payable in pounds sterling; and
  - 22.4. Fixed for the duration of the contract.
  
23. The payment of accounts other than those requiring certification by an Architect or Consulting Engineer, will be made subject to the right of set off (where applicable) 60 days from the end of the month in which the invoice is received by us unless otherwise specifically arranged. Inattention to the following details may delay payment, but no prompt payment discount shall be forfeited by the Company on account of the Suppliers failure:
  - 23.1. to send on the day of despatch of each consignment such Advice(s) and invoice(s) as may be indicated on this order;
  - 23.2. to send by the 14th day of each month a Monthly Statement of Account quoting the Invoice Numbers applicable to each item thereon;
  - 23.3. to mark clearly the full order number including prefixes on the Consignment Package, Packing Notes, Advice Notes, Invoices, Monthly Statement and all other correspondence relating thereto;
  - 23.4. to set-off any loss expense cost on damages arising out of or in connection with the contract or any other agreement between WH&E, or an associated company of the Supplier;
  - 23.5. to set-off against any money owed to us by you.
  
24. All Goods to be delivered CPT (Carriage Paid) unless stated otherwise and the risk of damage or loss to the goods being transported is the responsibility of the seller until the goods have been delivered and signed for by a WH&E employee.
  
25. The Supplier acknowledges that all materials, equipment, tools, drawings, specifications and data supplied by the Customer to the Supplier, and all rights in the Customer material, are and shall remain the exclusive property of the Customer. The Supplier shall keep the Customer Materials in safe custody, and utilise them, at its own risk, maintain them in good condition until returned to the Customer, and not dispose or use the same other than in accordance with the Customer's written instructions or authorisation. Failure to observe this clause will give rise to the

Customer to seek remedies as contained herein or as is reasonable to suitably compensate the Customer for their Loss and Expense.

26. During the term of the Contract and for a period of 12 years thereafter, the Supplier shall maintain in force, with a reputable insurance company, professional indemnity insurance, product liability insurance and public liability insurance to cover such heads of liability as may arise under or in connection with the Contract or Main Contract, and shall, on the Customer's request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.
27. A party (receiving party) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are disclosed to the receiving party by the other party (disclosing party), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products or its services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents or subcontractors who need to know the same for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents or subcontractors shall keep such information confidential.
28. The Customer may terminate the Contract in whole or in part at any time before delivery with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. The Customer shall pay the Supplier for the Goods delivered at the time of termination and the Supplier shall not receive any other monies arising out or in connection with the Goods or termination whatsoever. Without prejudice to generality of the foregoing the Supplier shall not be entitled to any loss or profit or consequential losses arising out of or in connection with the termination.
29. The Customer may terminate the Contract with immediate effect by giving written notice to the Supplier if the Supplier becomes subject to any of the following events:
  - 29.1. the Supplier suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply; or
  - 29.2. the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors [other than (where the Supplier is a company) these events take place for the sole purpose of a scheme for a solvent

amalgamation of the Supplier with one or more other companies or the solvent reconstruction of the Supplier; or

- 29.3. (being a company) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier, other than for the sole purpose of a scheme for a solvent amalgamation of the Supplier with one or more other companies or the solvent reconstruction of the Supplier; or
- 29.4. (being an individual) the Supplier is the subject of a bankruptcy petition or order; or
- 29.5. a creditor or encumbrance of the Supplier attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 2 days; or
- 29.6. (being a company) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Supplier; or
- 29.7. (being a company) a floating charge holder over the assets of the Supplier has become entitled to appoint or has appointed an administrative receiver; or
- 29.8. a person becomes entitled to appoint a receiver over the assets of the Supplier or a receiver is appointed over the assets of the Supplier; or
- 29.9. any event occurs, or proceeding is taken, with respect to the Supplier in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned here in; or
- 29.10. the Supplier suspends, or threatens to suspend, or ceases or threatens to cease to carry on, all or substantially the whole of its business; or
- 29.11. the financial position of the Supplier deteriorates to such an extent that in the opinion of the Customer the capability of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy.
- 29.12. (being an individual) the Supplier dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his or her own affairs or becomes a patient under any mental health legislation.
30. Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

31. WH&E shall not be liable to the other for any delay or failure in performing its obligations under the Contract to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable, provided that WH&E shall use all reasonable endeavours to cure any such events or circumstances and resume performance under the Contract.
32. The Customer may at any time assign, transfer, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract.
33. The Supplier may not assign, transfer, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract without the Customer's prior written consent.
34. Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, or sent by pre-paid first-class post, recorded delivery, commercial courier, fax or e-mail.
35. A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to on the purchase order: if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second Business Day after posting; if delivered by a commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, 24 hours after transmission.
36. The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.
37. If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected.
38. If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.
39. Waiver. A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy.



No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

40. Third party rights. A person who is not a party to the Contract shall not have any rights under or in connection with it.
41. Variation. Any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by the Customer.
42. Governing law and jurisdiction. The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with, English law, and the parties irrevocably submit to the exclusive jurisdiction of the courts of London.