

## SGN General Terms and Conditions of Purchase

### 1. DEFINITIONS AND INTERPRETATION

1.1. In these Conditions, the following definitions shall apply:

**"Acceptance Conditions"** means the conditions of acceptance set out in Clause 6.2;

**"Business Day"** means any day (other than a Saturday or Sunday or public holiday) that banks are open for general business in London;

**"CFA"** means the Criminal Finances Act 2017;

**"Conditions"** means the Purchaser's terms and conditions of purchase set out in this document;

**"Contract"** means the agreement between the Supplier and the Purchaser for the sale and purchase of the Deliverables incorporating these Conditions and the Order;

**"Data Protection Laws"** means all applicable law gdprs which govern the use of data relating to identified or identifiable individuals, including the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003 and the GDPR;

**"Deliverables"** means the Goods or Services or both (as the case may be);

**"Defects Liability Period"** has the meaning given to it in Clause 12.1;

**"Force Majeure"** means an event or sequence of events beyond a party's reasonable control (after exercise of reasonable care to put in place robust back-up and disaster recovery arrangements) preventing or delaying it from performing its obligations under the Contract, including an act of God, fire, flood, lightning, earthquake or other natural disaster; war, riot or civil unrest; interruption or failure of supplies of power, fuel, water, transport or telecommunications service (excluding any breakdown of plant or apparatus); or strike, lockout or boycott or other industrial action (excluding strikes or other industrial disputes involving the Supplier's or its suppliers' workforce);

**"GDPR"** means the General Data Protection Regulation (EU) 2016/679;

**"Goods"** means the goods and related accessories, spare parts and documentation and other physical material set out in the Order and to be supplied by the Supplier to the Purchaser;

**"Group Company"** means, in relation to a party, that party, any subsidiary or holding company of that party, or any company which is a subsidiary company of the ultimate holding company of that party, where the expressions 'holding company' and 'subsidiary' shall have the meaning assigned to them in section 1159 of the Companies Act 2006 and shall include any joint venture company in which that party or any of its Group Companies owns no less than fifty per cent (50%) of the share capital eligible to vote or has the right to appoint or remove no less than half of the board of directors;

**"Intellectual Property Rights"** means copyright, patents, know-how, trade secrets, trade marks, trade names, design rights, rights in get-up, rights in goodwill, rights in confidential information, rights to sue for passing off, domain names and all similar rights and, in each case:

- (a) whether registered or not;
- (b) including any applications to protect or register such rights;
- (c) including all renewals and extensions of such rights or applications;
- (d) whether vested, contingent or future;
- (e) to which the relevant party is or may be entitled; and
- (f) in whichever part of the world existing;

**"Living Wage"** means, as the context requires, either:

- (a) the London Living Wage which is an hourly rate, updated annually by the Greater London Authority (including any successor) and covers all boroughs in Greater London; or
- (b) the UK Living Wage which is an hourly rate, updated annually by the Centre for Research in Social Policy (including any successor) and covers all other locations outside Greater London;

**"LW Announcement Date"** means, in respect of any relevant year, the date on which the Living Wage annual update is published by the Greater London Authority or the Centre for Research in Social Policy (including any successors of each);

**"LW Implementation Date"** means any date up to a maximum of six (6) months from the LW Announcement Date;

**"Order"** means the Purchaser's order for the Deliverables as set out in the Purchaser's order form;

**"Price"** has the meaning given to it in Clause 9.1;

**"Purchaser"** means the applicable Group Company of SGN that places the Order as set out in the Order;

**"Quantity"** means the quantity of Goods to be supplied, and any permitted tolerances, as set out in the Order;

**"SGN"** means Scotia Gas Networks Limited, a company incorporated in England with number 04958135 and whose registered office is at

St Lawrence House, Station Approach, Horley, Surrey RH6 9HJ;

**"Services"** means the services set out in the Order and to be supplied by the Supplier to the Purchaser;

**"Site"** means the address(es) for delivery of the Goods and/or performance of the Services as set out in the Order;

**"Specification"** means the technical description and/or requirements (if any) of the Deliverables set out or referred to in the Order;

**"Supplier"** means the person, firm, company or organisation who provides or performs the Deliverables to the Purchaser and whose details are set out in the Order (including any of its employees, agents, permitted sub-contractor's or others acting on the Supplier's behalf);

**"Supplier IPR Claim"** has the meaning given to it in Clause 20.1; and

**"VAT"** means value added tax under the Value Added Tax Act 1994 or any other similar sale or fiscal tax applying to the sale of the Deliverables.

1.2. In these Conditions, unless the context otherwise requires:

(a) a reference to the Contract includes these Conditions, the Order, and their respective schedules, appendices and annexes (if any);

(b) any Clause headings in these Conditions are included for convenience only and shall have no effect on the interpretation of these Conditions;

(c) a reference to a 'party' means either the Supplier or the Purchaser and includes that party's personal representatives, successors and permitted assigns;

(d) a reference to a 'person' includes a natural person, corporate or unincorporated body (in each case whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns;

(e) a reference to a 'company' includes any company, corporation or other body corporate, wherever and however incorporated or established;

(f) a reference to a gender includes each other gender;

(g) words in the singular include the plural and vice versa;

(h) any words that follow 'include', 'includes', 'including', 'in particular' or any similar words and expressions shall be construed as illustrative only and shall not limit the sense of any word, phrase, term, definition or description preceding those words;

(i) a reference to 'writing' or 'written' includes any method of reproducing words in a legible and non-transitory form;

(j) the terms 'controller', 'processor', 'data subject', 'personal data', 'processing' (and related expressions) shall have the meanings given to them in the Data Protection Laws; and

(k) a reference to legislation is a reference to that legislation as amended, extended, re-enacted or consolidated from time to time.

### 2. APPLICATION OF THESE CONDITIONS

2.1. These Conditions apply to and form part of the Contract between the Supplier and the Purchaser. They supersede any previously issued terms and conditions of purchase or supply.

2.2. No terms or conditions endorsed on, delivered with, or contained in the Supplier's quotation, sales conditions, confirmation of order, specification or other document shall form part of the Contract except to the extent that the Purchaser otherwise agrees in writing.

2.3. No variation of these Conditions or to an Order or to the Contract shall be binding unless expressly agreed in writing and executed by a duly authorised representative on behalf of the Purchaser.

2.4. Each Order by the Purchaser to the Supplier shall be an offer to purchase Deliverables subject to these Conditions.

2.5. An Order may be withdrawn or amended by the Purchaser at any time before acceptance by the Supplier. If the Supplier is unable to accept an Order, it shall notify the Purchaser promptly and, in any event, within fourteen (14) days of the date of the Order. If the Supplier does not notify the Purchaser within such fourteen (14) day period, the Supplier shall be deemed to have accepted the Order.

2.6. Acceptance of an Order by the Supplier shall take place on the date on which the Order is accepted in writing by the Supplier or (if earlier) the date on which the Supplier is deemed to have accepted the Order pursuant to Clause 2.5.

### 3. CANCELLATION

3.1. Without prejudice to its other rights and remedies under the Contract or otherwise, the Purchaser reserves the right to cancel the Order for the Deliverables or for any part of the Deliverables for any reason and at any time upon giving the Supplier notice in writing.

3.2. Save where the Purchaser cancels or part-cancels an Order under Clause 3.1 as a result of a breach of contract by the Supplier, the Purchaser shall pay for:

(a) in respect of any Goods, that part of the Price which relates to the Goods which at the time of cancellation have been delivered to (and accepted by) the Purchaser;

(b) in respect of any Goods, the costs of materials which the Supplier has purchased to fulfil the Order for the Goods which cannot be used for other orders or be returned to the Supplier's supplier of those materials for a refund; and

(c) in respect of any Services, that part of the Price which relates to the Services which at the time of cancellation have been performed for (and accepted by) the Purchaser.

3.3. The Purchaser shall not be liable to the Supplier for any other direct or indirect cost or loss to the Supplier including (but not limited to) indirect loss, consequential loss or loss of business or opportunity.

### 4. TESTING AND INSPECTION OF GOODS

4.1. Prior to delivery the Supplier shall inspect the Goods for compliance with the Order and these Conditions.

4.2. The Purchaser shall be entitled to request the Supplier to supply certified copies of records of such inspection and tests free of charge and the Supplier shall promptly and fully comply with such request.

4.3. Without prejudice to Clause 4.2, the Purchaser shall be entitled to inspect, test and/or have a representative attend any test of the Goods conducted by or on behalf of the Supplier at any reasonable time or times during manufacture, processing and/or storage of the Goods. If the Purchaser exercises this right, the Supplier shall grant to the Purchaser or its nominated representative a right of access at all reasonable times and shall afford to the same all such facilities as may be reasonably required for such purposes.

4.4. In the event that the Goods or any part thereof fail inspection and/or testing, the Purchaser (without prejudice to any of its other rights) reserves the right to charge the Supplier any cost in respect of travel and accommodation incurred by the Purchaser for subsequent re-inspection and/or testing (if any).

4.5. Any inspections or tests carried out under Clauses 4.3 and/or 4.4 above shall not in any way relieve the Supplier from any of its obligations under the Contract or from those existing either in common law or by statute or any part thereof.

4.6. Any inspection or testing of the Deliverables shall not be deemed to be acceptance of the Deliverables or a waiver of any of the Purchaser's rights and remedies, including its right to reject.

### 5. DELIVERY

5.1. Subject to Clause 5.5, the Goods shall be delivered by the Supplier to the Site on the date(s) specified in the Order. The Goods shall be deemed delivered by the Supplier only on arrival of the Goods at the Site. All deliveries of Goods will be at the Supplier's own risk and expense.

5.2. In the event that the Supplier delivers any Goods to a location other than the Site, the Purchaser reserves the right (at its discretion) to refuse to accept such Goods at that location or charge the Supplier for the cost of subsequent transfer of the Goods to the Site.

5.3. Subject to Clause 5.5, the Services shall be performed by the Supplier at the Site on the date(s) specified in the Order. The Services shall be deemed delivered by the Supplier only on completion of the performance of the Services at the Site.

5.4. The Deliverables shall not be delivered by or performed in instalments unless otherwise agreed in writing by the Purchaser.

5.5. The Purchaser reserves the right to extend the date of delivery of the Order by notice to the Supplier in writing.

5.6. The Purchaser shall be under no obligation to accept delivery of any Deliverables before the date(s) specified in the Order.

5.7. The Supplier shall, at the Purchaser's discretion, repair or replace free of charge any Goods (or part thereof) damaged or lost whilst in transit.

5.8. All deliveries must be appropriately packed for the mode of delivery and in compliance with all applicable packaging regulations.

5.9. Each delivery or performance of the Deliverables shall be accompanied by a delivery note stating:

- (a) the date of the Order;
- (b) the relevant Purchaser and Supplier details;
- (c) if Goods, the product numbers and type and quantity of Goods in the consignment;
- (d) if Services, the category, type and quantity of Services performed;
- (e) any special instructions, handling and other requests; and

(f) in the case of Goods, whether any packaging material is to be returned, in which case the Purchaser shall, after the Goods are unpacked, make them available for collection by the Supplier at the Supplier's expense.

5.10. For the avoidance of doubt, signature by or on behalf of the Purchaser on any delivery note or order

- acknowledgement will not signify acceptance of the quality and/or quantity of any of the Deliverables.
- 5.11. Time of delivery of the Goods or performance of the Services (as the case may be) is of the essence. If the Supplier fails to deliver any of the Goods or perform any of the Services by the date(s) specified in the Order or (if applicable) any extension thereto pursuant to Clause 5.5, the Purchaser shall (without prejudice to its other rights and remedies) be entitled (at the Purchaser's sole discretion) to any or all of the foregoing:
- to terminate the Contract in whole or in part;
  - to purchase the same or similar Deliverables from a supplier other than the Supplier;
  - to recover liquidated damages from the Supplier as specified in the Order; and
  - to recover from the Supplier all costs and losses resulting to the Purchaser, including the amount by which the price payable by the Purchaser to acquire those Deliverables from another supplier exceeds the price payable under the Contract.
- 5.12. The Purchaser reserves the right to deduct any sums due to it under Clause 5.11 from any outstanding payments due to the Supplier by the Purchaser or any Group Company of the Purchaser.
- 6. ACCEPTANCE AND REJECTION**
- 6.1. Subject to Clause 5.10 and Clause 6.4, the Purchaser shall not have accepted, or be deemed to have accepted, the Deliverables until the Acceptance Conditions are fulfilled.
- 6.2. Subject to Clause 5.10 and Clause 6.4, the Acceptance Conditions are that:
- for Goods, the Goods have been delivered to or at the Site and the Purchaser has not rejected the Goods pursuant to Clause 6.3 and/or Clause 12.3 within two (2) Business Days of the date of delivery; and
  - for Services, the Services have been performed at the Site and the Purchaser has notified the Supplier in writing that the Supplier has completed the performance of the Services.
- 6.3. If the Deliverables have not been delivered or performed (as the case may be) in full compliance with the terms and conditions of the Contract, or the Supplier has not otherwise complied with any of the terms and conditions of the Contract or it is evident that the Supplier will be unable to perform its obligations under the Contract, the Purchaser shall at its discretion be entitled (but not obliged) to reject the Order (notwithstanding that title to the Deliverables may have passed to the Purchaser) by giving written notice to the Supplier and the following conditions shall apply:
- the Supplier shall repay to the Purchaser any monies paid by the Purchaser in respect of the rejected Order;
  - the Supplier shall be fully accountable to the Purchaser for any direct or indirect loss the Purchaser suffers or incurs arising from or out of such rejection, including the reasonable costs incurred by the Purchaser in obtaining replacement Deliverables from a third party; and
  - any such rejection shall be without prejudice to the accrued rights of either party.
- 6.4. Any acceptance of defective, late or incomplete Deliverables or any payment made in respect thereof, shall not constitute a waiver of any of the Purchaser's rights and remedies, including its rights to reject under Clause 6.3 and Clause 12.
- 6.5. The quantities of any Goods supplied shall be the Quantity. No Goods supplied in excess of the Quantity will be paid for without the written authority of the Purchaser before delivery. The Purchaser reserves the right to reject incomplete deliveries and to refuse delivery, reject or refuse to pay for and/or (at the Supplier's expense and risk) return any unauthorised and/or unaccepted shortfall or excess.
- 6.6. If the Goods are rejected due to the volume of the Goods exceeding the tolerances (if any) included in the Quantity, if requested to do so by the Purchaser, the Supplier shall promptly and at its own cost arrange for redelivery of Goods which equal the Quantity.
- 6.7. Any rejected Goods may be returned to the Supplier by the Purchaser at the Supplier's cost and risk. The Supplier shall pay to the Purchaser a reasonable charge for storing and returning any of the Goods over-delivered or rejected.
- 7. RISK AND TITLE**
- 7.1. Risk in the Goods shall pass to the Purchaser on acceptance by the Purchaser of the Goods or (in the case of delivery by instalments) on acceptance by the Purchaser of each relevant instalment of the Goods.
- 7.2. Subject to Clause 7.3, title to the Goods shall pass to the Purchaser on the sooner of:
- payment by the Purchaser for the Goods; and
  - acceptance by the Purchaser of the Goods or (in the case of delivery by instalments) on the acceptance by the Purchaser of each instalment of the Goods, in each case, in accordance with Clause 6.1.
- 7.3. If the Supplier postpones delivery at the request of the Purchaser, title to the Goods shall pass to the Purchaser seven (7) days after the date of receipt of notification from the Supplier that the delivery is ready for dispatch however the risk remains with the Supplier until actual delivery has been completed.
- 7.4. The passing of title shall not prejudice any other of the Purchaser's rights and remedies, including its right to reject.
- 7.5. Neither the Supplier, nor any other person, shall have a lien on, right of stoppage in transit or other rights in or to any Goods title to which has vested in the Purchaser or any specifications or materials of the Purchaser, and the Supplier shall ensure that relevant third parties accept the exclusion of such lien and rights.
- 7.6. The Supplier warrants and represents that it:
- has at the time the Contract is made, full, clear and unencumbered title to the Goods, and the full, clear and unencumbered right to sell and deliver them to the Purchaser;
  - shall hold such title and right to enable it to ensure that the Purchaser shall acquire a valid, unqualified title to the Goods and shall enjoy quiet possession of them; and
  - shall transfer such title and rights without qualification or encumbrance of any kind upon the passage of title to the Goods pursuant to Clause 7.2.
- 8. PURCHASER'S PROPERTY**
- 8.1. The Supplier shall ensure that any drawings, data, goods, tools, materials, equipment or any other property provided by, through or on behalf of the Purchaser for use by the Supplier shall at all times be:
- clearly identified and marked as being the property of the Purchaser; and
  - stored separately from any other property belonging to the Supplier or a third party.
- 8.2. The Purchaser reserves the right to repossess such property at any time and the Supplier shall grant an irrevocable right and licence to the Purchaser its servants or agents to enter with or without vehicles upon all or any of its premises or any land or premises occupied by the Supplier or wherever such property is located. The right shall continue to subsist notwithstanding the termination of the Contract for any reason and is without prejudice to any other rights of the Purchaser under or in respect of the Contract or otherwise.
- 9. PRICE AND PAYMENT**
- 9.1. The price for the Deliverables shall be as set out in the Order or, in default of such provision, shall be calculated in accordance with the Supplier's scale of charges as advised by the Supplier and received and acknowledged by the Purchaser before the date that the Order is made ("Price"). No increase in the Price may be made after the Order is placed.
- 9.2. The Supplier shall invoice the Purchaser for:
- the Goods, no sooner than the Purchaser's acceptance of the Goods in accordance with Clause 6.1;
  - the Services, no sooner than the Purchaser's acceptance of the Services in accordance with Clause 6.1.
- 9.3. Prices quoted shall be exclusive of VAT and shall be deemed to be inclusive of any other form of purchase tax and/or import duties applicable from time to time. VAT at the appropriate rate where chargeable shall only be paid by the Purchaser on receipt of a valid VAT invoice.
- 9.4. The Purchaser, acting reasonably, shall approve the format of the Supplier's application for payment and any subsequent Supplier's invoice. It is a condition precedent to payment that the Supplier's application and any subsequent Supplier's invoice is presented in the form previously approved by the Purchaser.
- 9.5. Payment shall be made in accordance with the payment terms stated in the Order. If no payment terms are stated in the Order, the Purchaser shall pay each validly submitted invoice of the Supplier within thirty (30) days of receipt by the Purchaser, provided that an invoice complying with the requirements of this Clause 9 is promptly received by the Purchaser.
- 9.6. Time of payment is not of the essence. Where sums due under the Contract are not paid in full by the due date, to compensate the Supplier for all loss from the Purchaser's breach, the Purchaser shall pay on the sum overdue interest (before and after judgment) on a daily basis until payment in full at the rate of two per cent (2%) per annum above the Official Bank Rate from time to time of the Bank of England. The Supplier acknowledges that this is a substantial remedy for the purposes of the Late Payment of Commercial Debts (Interest) Act 1998.
- 9.7. The Purchaser reserves the right to deduct from any monies due or becoming due to the Supplier any monies due from the Supplier to the Purchaser whether under the Contract or otherwise or to any other Group Company in respect of materials supplied or services rendered by the Purchaser or any other Group Company or any other sums due to the Purchaser from the Supplier.
- 10. SITE WORKS**
- 10.1. Where the Order requires the Supplier to assemble, construct, fit, install and/or carry out any works on the Site, the provisions in this Clause 10 shall apply.
- 10.2. The Supplier shall provide all the necessary plant, tools, machinery, materials and labour to enable the Supplier to carry out the works specified in the Order. The Supplier shall provide the Purchaser on request with such drawings, reports, specifications, designs or other documents as used by the Supplier in connection with the works.
- 10.3. The Supplier shall be required to provide a competent representative on the Site who will report directly to the Purchaser on such matters as the Purchaser may request from time to time. The Supplier's representative shall liaise with the Purchaser's project manager (or such other person nominated by the Purchaser) in relation to all matters arising under or in connection with the Contract.
- 10.4. The Supplier shall (at its own cost) replace, repair or reinstate as the Purchaser may require any of the Purchaser's buildings, equipment and/or property which may be lost, damaged or destroyed by the Supplier during the execution of the work.
- 10.5. During or on completion of the works, no off cuts, waste or other materials remaining will be removed from the Site without the Purchaser's prior consent unless the removal of the afore is carried out by the Supplier for the purpose of making the Site safe and/or tidy in accordance with good industry practice.
- 10.6. The Purchaser reserves the right to request the Supplier to remove its employees where (in the Purchaser's sole opinion) such employees are unsatisfactory or unsuitable for work on the Site.
- 10.7. All plant, tools, machinery and materials necessary for carrying out the work will be of a standard approved by the Purchaser and the Supplier shall be responsible for all disbursements, costs and charges in providing welfare facilities for the Supplier's personnel including (inter alia) accommodation, subsistence, medical facilities, food, work permits and transport to and from the Site.
- 10.8. The Supplier shall conform and shall ensure that its employees and sub-contractors conform with all statutes, statutory rules, orders, directives or regulations in force at the time in respect of employment of the Supplier's personnel for the execution of the Contract. In particular, the Supplier shall, in relation to the work and the Supplier's employees and sub-contractors employed thereon, observe the provisions of the Factories Act 1961 and the Health and Safety at Work Act 1974 (or any statutory modification or re-enactment thereof) and all other existing statutory provisions and all orders and regulations made thereunder and any health and safety and/or security rules of the Purchaser.
- 10.9. On leaving a Site, the Supplier shall ensure that such Site is tidied and made safe in accordance with good industry practice.
- 10.10. The Supplier warrants that it is and shall for the duration of the performance of the works remain fully compliant with all applicable rules and regulations in force relating to security, whether imposed by the Purchaser or by statute or regulation.
- 11. WARRANTY**
- 11.1. Without prejudice to any other rights and remedies of the Purchaser, the Supplier warrants that:
- the design, supply, use and quality of the Deliverables will comply in all respects with any statute, statutory rule, order, directive or statutory licence, consent or permits which may be in force at any time; and
  - the Deliverables and all supporting literature and documentation comply with all applicable trade descriptions (within the meaning of the Trade Descriptions Act 1968 or any statutory modification or re-enactment thereof).
- 11.2. Where applicable and unless otherwise agreed in writing by the Purchaser, the Supplier warrants to have all necessary licences and comply with all relevant government regulations.
- 11.3. The Supplier shall indemnify the Purchaser and each of its Group Companies against all claims, proceedings, damages, losses, expenses and liabilities that the Purchaser and each of its Group Companies (as applicable) suffers or incurs by reason of any breach or alleged breach of the warranties contained in this Clause 11.
- 12. DEFECTS LIABILITY**
- 12.1. The Supplier warrants and represents that, for a period of twelve (12) months (or such longer period set out in the Order) from the later of: (A) the date of acceptance of the Deliverables by the Purchaser under Clause 6.1; and (B) in the case of Goods only, the date on which such Goods are put into service ("Defects Liability Period"), the Deliverables shall:
- conform to the Specification and any quality standards, description and/or references quoted in the Order and/or to any samples submitted by the Supplier;
  - be free from any defects in design, material and workmanship;
  - comply with all applicable laws, standards and best industry practice (including, where the Supplier has British standard accreditation or

- equivalent, the Deliverables shall conform with the applicable quality standards and systems);
- (d) if Goods, be of satisfactory quality within the meaning of the Sale of Goods Act 1979;
- (e) if Services, be supplied with reasonable care and skill within the meaning of section 13 of the Supply of Goods and Services Act 1982; and
- (f) be fit for purpose and any purpose held out by the Supplier and/or set out in the Order.
- 12.2. The Supplier agrees that the approval by the Purchaser of any design or specification provided by the Supplier shall not relieve the Supplier of any of its obligations under this Clause 12.
- 12.3. Without prejudice to any of its other rights under the Contract, the Purchaser may reject any Deliverables that do not comply with Clause 12.1 and the Supplier shall (at the Purchaser's option and at the Supplier's sole cost and expense) promptly replace, repair, correct, re-perform, remedy or refund the price of any such Deliverables, provided that the Purchaser serves a written notice on the Supplier within the Defects Liability Period that some or all of the Deliverables do not comply with Clause 12.1
- 12.4. The provisions of this Clause 12 shall apply to any Deliverables that are remedied, repaired, replaced, corrected or re-performed with effect from the date of the delivery or performance of the remedied, repaired, replaced, corrected or re-performed Deliverables.
- 12.5. The Purchaser's rights under these Conditions are in addition to, and do not exclude or modify, the rights and conditions contained in sections 12 to 16 (inclusive) of the Supply of Goods and Services Act 1982 and sections 13 to 15 (inclusive) of the Sale of Goods Act 1979.
- 12.6. The Purchaser shall be entitled to exercise its rights under this Clause 12 regardless of whether the Deliverables have been accepted under Clause 6.1 and notwithstanding that the Deliverables may have been tested and inspected in accordance with Clause 4.
13. **INSURANCE**
- 13.1. Without prejudice to Clause 13.2, the Supplier shall maintain with reputable insurers adequate insurance against the usual risks (including accident, fire and theft) to the full value of the Contract.
- 13.2. The Supplier shall maintain at all times adequate insurance with a reputable insurer acceptable to the Purchaser against the liabilities in Clauses 12 and 14.
- 13.3. The Supplier shall, at the Purchaser's request, produce for inspection any such insurance policy or policies or such documentary evidence of the same and/or evidence of payment of premium as the Purchaser may require.
14. **INDEMNITY**
- 14.1. The Supplier shall indemnify, and keep indemnified, the Purchaser and each of its Group Companies from and against all losses, damages, liabilities, costs, claims (whether fraudulent, groundless, false or not), actions, suits, judgments, legal proceedings (whether civil or criminal) and expenses (including legal fees, costs of investigation and related expenses) suffered or incurred by the Purchaser and each of its Group Companies (as applicable) arising out of or in connection with:
- (a) any negligent act or omission of the Supplier or its servants, agents, or sub-contractors; or
- (b) any breach of any of the terms of the Contract by the Supplier; or
- (c) any alleged fault or defect (howsoever arising) in the materials, workmanship or quality of the Deliverables; or
- (d) any loss, destruction or damage to any property (including property owned by the Purchaser, its Group Companies, and property owned by any third party), or any death or injury to any person (including employees, servants, agents or sub-contractors of the Purchaser or its Group Companies, and any third party) howsoever caused by any of the acts or omissions of the Supplier or any of its employees, servants, agents or sub-contractors.
15. **CONFIDENTIALITY**
- 15.1. The Contract and the subject matter thereof shall be treated as confidential between the parties and shall not be disclosed or publicised by the Supplier to any third party for any reason without the Purchaser's prior written consent.
- 15.2. The Supplier shall not advertise, announce, or otherwise publicise in any form or co-operate or allow to be advertised, announced or otherwise publicised that the Order is to be or has been supplied by it to the Purchaser or otherwise use the Purchaser's name or any other form of identity without the Purchaser's prior written consent.
- 15.3. The Supplier shall not copy or otherwise make available to any third party any specifications (including the Specification), drawings, patterns, tools, tooling of any kind, written instructions, or other instructions or technical papers supplied by the Purchaser or produced by the Supplier at the Purchaser's cost for the purpose of the Order and the same shall remain the property of the Purchaser and must be returned to the Purchaser on demand free of charge.
- 15.4. The Supplier shall only make use of the matters referred to at Clause 15.3 for the purpose of delivering or performing (as applicable) the Deliverables in accordance with the Contract.
16. **DATA SECURITY**  
All data transferred by means of an electronic and/or hard copy between the Purchaser and the Supplier, whether or not it is part of the Order or forms part of the Order, must be transferred securely ensuring that the integrity and confidentiality of the data is not compromised. The most appropriate method of transfer must be agreed by both parties depending on the sensitivity and nature of the data. In the event that there is a loss of any data whatsoever or the data has been mishandled howsoever, then the Supplier is wholly responsible for notifying the Purchaser in a timely manner and indemnifying the Purchaser and each of its Group Companies against all losses, costs, expenses, damages, liabilities, demands, claims, actions or proceedings which the Purchaser and each of its Group Companies (as applicable) suffers or incurs as a result of such loss or mishandling.
17. **DATA PROTECTION**
- 17.1. Where, in relation to the Order, the Purchaser will be the controller and the Supplier will be the processor of any personal data, it is hereby agreed that in addition to and notwithstanding any other right or obligation arising under the Contract, the Supplier shall:
- (a) comply (and shall ensure that its sub-processors shall comply) at all times with all Data Protection Laws in connection with the processing of personal data and the provision of the Deliverables and shall not by any act or omission cause the Purchaser (or any other person) to be in breach of any Data Protection Laws;
- (b) taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the potential risks for the rights and freedoms of individuals concerned, take all technical and organisational measures to ensure a level of security appropriate to the risk and as necessary or desirable to ensure that personal data is protected against loss, destruction and damage, and against unauthorised access, use, modification, disclosure or other misuse;
- (c) process personal data only on the documented instructions of the Purchaser (including with regard to transfers of personal data outside the European Economic Area or the UK or to an international organisation, unless the Supplier is otherwise required to process personal data by European Union, Member State and/or UK law to which the Supplier is subject, in which case the Supplier shall immediately inform the Purchaser of that legal requirement unless prohibited by that law on important grounds of public interest), and shall not process the personal data for any other purpose;
- (d) take reasonable steps to ensure that the Supplier's employees which are authorised to process the personal data are subject to binding confidentiality obligations in respect of the personal data;
- (e) assist the Purchaser in ensuring compliance with its obligations under Articles 32 to 36 of the GDPR, and with fulfilling its obligations to respond to requests in respect of data subject rights, taking into account the nature of the processing and the information available to the Supplier;
- (f) at the Purchaser's election, (unless European Union, Member State or UK law requires storage of the personal data) delete or return all personal data and existing copies to the Purchaser at the end of the provision of any Goods or Services provided pursuant to the Order;
- (g) make available to the Purchaser all information necessary, and allow for and contribute to audits and inspections conducted by the Purchaser or the Purchaser's mandated auditor, to demonstrate the Supplier's compliance with its obligations under this Clause 17; and
- (h) not authorise a third party (sub-contractor) to process the personal data without the prior written consent of the Purchaser.
- 17.2. The Supplier shall notify the Purchaser immediately if:
- (a) in the Supplier's opinion, any instruction given by the Purchaser infringes any applicable Data Protection Laws; or
- (b) it becomes aware of any breach of security, unauthorised or unlawful processing, compromise, loss, destruction, damage or corruption of any personal data in respect of which the Purchaser is the controller.
18. **STATUTORY REQUIREMENTS**
- 18.1. The Supplier warrants that it fully complies and shall procure that any Associated Person fully complies with the Bribery Act 2010. Any breach of this Act by the Supplier or any Associated Person will entitle the Purchaser to terminate the Contract. The Purchaser reserves the right to audit the Supplier's internal policies on any associated codes of conduct. For the purposes of this Clause 18.1, "Associated Person" shall have the meaning ascribed to it in section 8 of the Bribery Act 2010.
- 18.2. The Supplier (including its employees, advisers, agents, directors, sub-contractors and Group Companies) shall:
- (a) not engage in any activity, practice or conduct which would constitute either a UK tax evasion facilitation offence or a foreign tax evasion facilitation offence under section 45(1) or section 46(1) of the CFA, respectively;
- (b) have and shall maintain in place throughout the term of the Contract reasonable policies and procedures in accordance with any guidance issued under section 47 of the CFA to prevent the facilitation of tax evasion by another person (including the employees of the Supplier) and to ensure compliance with this Clause 18.2;
- (c) promptly report to the Purchaser any request or demand from a third party to facilitate the evasion of tax within the meaning of Part 3 of the CFA, in connection with the performance of the Contract; and
- (d) provide supporting evidence of compliance with this Clause 18.2 as the Purchaser may reasonably request.
- 18.3. The Supplier shall ensure that any of its employees, advisers, agents, directors, sub-contractors and Group Companies who is (or may be) performing the Services or providing the Goods under or in connection with the Contract does so only based on a written contract which imposes on and secures from such person terms equivalent to those imposed on the Supplier in Clause 18.2. The Supplier shall be responsible for the observance and performance by such persons of Clauses 18.2(a) to 18.2(d) (inclusive) and shall be directly liable to the Purchaser and each of its Group Companies (as applicable) for any breach by such persons of any of the same.
- 18.4. The Purchaser may terminate the Contract immediately by written notice to the Supplier if the Supplier breaches any of the provisions of Clause 18.2 or Clause 18.3. If the Purchaser terminates the Contract pursuant to this Clause 18.4, the Supplier shall not be entitled to claim compensation or any further remuneration from the Purchaser (regardless of any activities or agreements with additional third parties entered into before such termination).
- 18.5. Save as expressly set out in these Conditions, a person who is not a party to the Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of the Contract. The parties acknowledge and agree that any Group Company of SGN may enforce the terms of the Contract for and on behalf of itself or any other Group Company of SGN.
- 18.6. The Supplier shall comply with all laws, enactments, regulations, regulatory policies, guidelines and industry codes applicable to it and shall maintain such authorisations and all other approvals, permits and authorities as are required from time to time to perform its obligations under or in connection with the Contract.
- 18.7. The Supplier warrants that it has procured and, for the term of the Contract, shall procure that no slavery or human trafficking takes place or has taken place within any parts of its own business or in any of its supply chains. The Supplier complies with the relevant requirements of the Modern Slavery Act 2015 and shall provide access for the Purchaser to its policies, procedures and adopted approaches to ensure that slavery and human trafficking is prevented within the Supplier's business and in any of its supply chains. For the purposes of this Clause 18.7, "slavery and human trafficking" shall have the meanings ascribed in section 54 of the Modern Slavery Act 2015.
19. **INTELLECTUAL PROPERTY RIGHTS**
- 19.1. All Intellectual Property Rights in both tangible and electronic format, including drawings, transparencies, prints, photographs, negatives, working notes and books created for or supplied by the Purchaser shall vest in and remain at all times the property of the Purchaser. Any originals and all copies shall be returned to the Purchaser on completion of the Order.
- 19.2. All specifications provided by the Purchaser and all Intellectual Property Rights in the Deliverables made or performed in accordance with such specifications shall vest in and remain at all times the property of the Purchaser and such specifications may only be used by the Supplier as necessary to perform the Contract. The Supplier assigns (or shall procure the assignment) to the Purchaser absolutely, with full title guarantee, all rights, title and interest in any such Intellectual Property Rights, and the Supplier shall do all such things and sign all documents necessary in the Purchaser's opinion to vest all such Intellectual Property Rights in the Purchaser, and to enable the

- Purchaser to defend and enforce such Intellectual Property Rights.
- 19.3. Each party grants the other party a royalty-free, non-exclusive licence to use any of its Intellectual Property Rights strictly necessary for the purpose of carrying out the Order. The Supplier grants the Purchaser a royalty-free, non-exclusive licence to use any of its Intellectual Property Rights necessary for any purpose in connection with the Deliverables. Neither party may grant any sub-licence to use the other's Intellectual Property Rights, except that the Purchaser may allow its Group Companies and any person working for or on behalf of the Purchaser or any Group Company to use the Suppliers' Intellectual Property Rights for the purpose of carrying out the Order and for any other purpose in connection with the Deliverables.
20. **INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS**
- 20.1. Without prejudice to the Purchaser's and each of its Group Company's other rights and remedies, the Supplier shall fully indemnify and hold harmless the Purchaser and each of its Group Companies against any and all losses, liability, damages, costs, charges and expenses (including without limitation legal fees and costs and consequential loss and damage resulting directly or indirectly at any time from the purchase, exploitation, marketing, supply or other use of the Deliverables) suffered or incurred by the Purchaser and each of its Group Companies (as applicable) as a result of or in connection with any action, demand, claim or allegation (in each case whether actual or threatened) that the use or possession of the Supplier's Intellectual Property Rights and/or the Deliverables infringes the Intellectual Property Rights of any third party ("**Supplier IPR Claim**").
- 20.2. If any Supplier IPR Claim is made or is reasonably likely to be made against the Purchaser and/or any of its Group Companies, the Supplier shall promptly and at its own expense either:
- procure for the Purchaser and/or any of its Group Companies the right to continue using and possessing the relevant Intellectual Property Rights; or
  - modify or replace the infringing part of the Intellectual Property Rights and without adversely affecting the functionality of the Intellectual Property Rights as set out in the Contract so as to avoid the infringement or alleged infringement,
- provided that if, having used reasonable endeavours, neither of the above can be accomplished on reasonable terms, the Supplier shall (without prejudice to the indemnity at Clause 20.1) refund the price paid by the Purchaser in respect of the affected Intellectual Property Rights.
21. **DOCUMENTATION, INFORMATION AND TRAINING**
- 21.1. The Supplier will provide for the Purchaser where applicable no later than the date of delivery or installation of the Order:
- any operator's manuals, instruction manuals, list of recommended spares and other supporting information;
  - sufficient information about the use for which the Deliverables have been designed and have been tested; and
  - detailed information about any conditions or procedures required to ensure that, when put to use, they will be safe and without risk to health.
- 21.2. If any Goods are perishable or have a life expectancy of a fixed duration or if there are any circumstances known to the Supplier which could adversely affect the life span of the Goods, then the Supplier shall immediately advise the Purchaser in writing all such necessary and appropriate information relating thereto which information shall upon receipt by the Purchaser but not before form part of the description of the Order (or part thereof).
- 21.3. If requested, the Supplier will, at no cost, allow the Purchaser the opportunity to attend the Supplier's factory or premises for the purposes of receiving training as may be deemed necessary for the effective use, functioning and maintenance of the Goods. The Supplier will provide at no cost to the Purchaser suitably qualified personnel for the purpose of giving the Purchaser's employees such training.
22. **AVAILABILITY OF SPARES**
- 22.1. The Supplier will make available to the Purchaser on demand an appropriate quantity and range of spares for the Goods for a minimum period of ten (10) years from the date of the last delivery.
- 22.2. Without prejudice to the Purchaser's other rights and remedies, in the event of the Supplier being unable to comply with the provisions of this Clause 22, the Supplier will provide at no cost sufficient information and technical data to enable the Purchaser to manufacture or obtain such spares.
- 22.3. This Clause 22 shall survive the termination of the Contract.
23. **FORCE MAJEURE**
- If the Supplier fails to perform any part of the Order as a consequence of an event of Force Majeure, the Purchaser may at its discretion immediately suspend or cancel the Order, in whole or in part, by notice to the Supplier, without any liability to the Supplier for payment for such suspended or cancelled part.
24. **INSOLVENCY**
- 24.1. The Purchaser may terminate the Contract at any time by giving notice in writing to the Supplier if the Supplier:
- stops carrying on all or a significant part of its business, or indicates in any way that it intends to do so;
  - is unable to pay its debts either within the meaning of section 123 of the Insolvency Act 1986 or if the Purchaser reasonably believes that to be the case;
  - becomes the subject of a company voluntary arrangement under the Insolvency Act 1986;
  - has a receiver, manager, administrator or administrative receiver appointed over all or any part of its undertaking, assets or income;
  - has a resolution passed for its winding up;
  - has a petition presented to any court for its winding up or an application is made for an administration order, or any winding-up or administration order is made against it;
  - is subject to any procedure for the taking control of its goods that is not withdrawn or discharged within seven (7) days of that procedure being commenced;
  - has a freezing order made against it;
  - is subject to any recovery or attempted recovery of items supplied to it by a supplier retaining title in those items;
  - is subject to any events or circumstances analogous to those in Clauses (a) to (i) in any jurisdiction;
  - takes any steps in anticipation of, or has no realistic prospect of avoiding, any of the events or procedures described in Clauses (a) to (j) including, for the avoidance of doubt, giving notice for the convening of any meeting of creditors, issuing an application at court or filing any notice at court, receiving any demand for repayment of lending facilities, or passing any board resolution authorising any steps to be taken to enter into an insolvency process.
- 24.2. If the Supplier becomes aware that any event has occurred, or circumstances exist, which may entitle the Purchaser to terminate the Contract under this Clause 24.2, it shall immediately notify the Purchaser in writing.
- 24.3. Termination or expiry of the Contract shall not affect any accrued rights and liabilities of the Purchaser at any time up to the date of termination.
25. **LIMITATION OF LIABILITY**
- 25.1. The extent of the parties' liability under or in connection with the Contract (regardless of whether such liability arises in tort, contract or in any other way and whether or not caused by negligence or misrepresentation) shall be as set out in this Clause 25.
- 25.2. Nothing in the Contract shall exclude or limit either party's liability for:
- death or personal injury caused by that party's negligence or the negligence of its personnel, agents or sub-contractors;
  - fraud or fraudulent misrepresentation; or
  - any other liability which cannot be limited or excluded by applicable law.
- 25.3. Subject to Clause 25.2, the Purchaser shall not be liable to the Supplier, whether in contract, tort (including negligence), breach of statutory duty, or otherwise for (whether direct or indirect) any loss of profit, loss of or corruption of data, loss of use, loss of production, loss of contract, loss of opportunity, loss of savings, discount or rebate (whether actual or anticipated), harm to reputation or loss of goodwill, or for any indirect or consequential loss arising under or in connection with the Contract.
- 25.4. Subject to Clauses 25.2 and 25.3, the Purchaser's maximum aggregate liability in contract, tort (including negligence), breach of statutory duty, or otherwise, arising under or in connection with the Contract shall be limited to the charges paid and payable by the Purchaser to the Supplier under the Contract.
- 25.5. Except as expressly stated in the Contract, and subject to Clause 25.2, all warranties and conditions whether express or implied by statute, common law or otherwise are excluded to the extent permitted by law.
26. **ASSIGNMENT**
- The Supplier may not assign, subcontract or encumber any right or obligation under the Contract, in whole or in part, without the Purchaser's prior written consent, which it may withhold or delay at its absolute discretion.
27. **WAIVER**
- 27.1. No failure, delay or omission by the Purchaser in exercising any right, power or remedy provided by law or under the Contract shall operate as a waiver of that right, power or remedy, nor shall it preclude or restrict any future exercise of that or any other right, power or remedy.
- 27.2. No single or partial exercise of any right, power or remedy provided by law or under the Contract by the Purchaser shall prevent any future exercise of it or the exercise of any other right, power or remedy by the Purchaser.
- 27.3. A waiver of any term, provision, condition or breach of the Contract by the Purchaser shall only be effective if given in writing and signed by the Purchaser, and then only in the instance and for the purpose for which it is given.
28. **CONFLICTS WITHIN CONTRACT**
- If there is a conflict between the terms contained in the Conditions and the terms of the Order, schedules, appendices or annexes to the Contract, the terms of the Conditions shall prevail.
29. **SEVERANCE**
- 29.1. If any provision of the Contract (or part of any provision) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other provision of the Contract shall not be affected.
- 29.2. If any provision of the Contract (or part of any provision) is or becomes illegal, invalid or unenforceable but would be legal, valid and enforceable if some part of it was deleted or modified, the provision or part-provision in question shall apply with such deletions or modifications as may be necessary to make the provision legal, valid and enforceable. In the event of such deletion or modification, the parties shall negotiate in good faith in order to agree the terms of a mutually acceptable alternative provision.
30. **ENTIRE AGREEMENT**
- 30.1. The parties agree that the Contract constitutes the entire agreement between them and supersedes all previous agreements, understandings and arrangements between them, whether in writing or oral in respect of its subject matter.
- 30.2. Each party acknowledges that it has not entered into the Contract in reliance on, and shall have no remedies in respect of, any representation or warranty that is not expressly set out in the Contract. No party shall have any claim for innocent or negligent misrepresentation on the basis of any statement in the Contract.
- 30.3. Nothing in these Conditions purports to limit or exclude any liability for fraud.
31. **NO PARTNERSHIP OR AGENCY**
- The parties are independent persons and are not partners, principal and agent or employer and employee and the Contract does not establish any joint venture, trust, fiduciary or other relationship between them, other than the contractual relationship expressly provided for in it. None of the parties shall have, nor shall represent that they have, any authority to make any commitments on the other party's behalf.
32. **FURTHER ASSURANCE**
- The Supplier shall at the request of the Purchaser, and at the Supplier's own cost, do all acts and execute all documents which are necessary to give full effect to the Contract.
33. **CUMULATIVE REMEDIES**
- The rights and remedies provided in the Contract for the Purchaser and its Group Companies only are cumulative and not exclusive of any rights and remedies provided by law.
34. **GOVERNING LAW**
- The Contract and any dispute or claim arising out of or in connection with it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales.
35. **JURISDICTION**
- The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Contract, its subject matter or formation (including non-contractual disputes or claims).
36. **LIVING WAGE**
- 36.1. The Supplier agrees to pay all of its personnel who are directly employed by the Supplier in respect of the Services not less than the Living Wage and shall ensure all employees of its contractors and sub-contractors performing the Services are paid not less than the Living Wage for the term of this Contract if and for so long as such personnel, employees, contractors or sub-contractors:
- are not apprentices or interns;
  - are aged 18 or over;
  - work for at least two (2) hours in any working day and for at least eight (8) consecutive weeks in any calendar year; and
  - either:
    - work on the Purchaser's premises and/or any site or property which is owned or in the control of the Purchaser located in the United Kingdom; or
    - work wholly and directly on behalf of the Purchaser in providing the Services to the Purchaser's UK domestic or business customers, or prospective customers, from a place of work which is located in the UK.
- 36.2. The Supplier agrees to implement any change to the Living Wage by the LW Implementation Date.
- 36.3. The Supplier shall provide the Purchaser with all of the information the Purchaser requires (acting reasonably) to confirm the Supplier's compliance with this Clause 36.
- 36.4. In the event of non-compliance with this Clause 36 by the Supplier, the Supplier shall act to resolve any non-compliance and will resolve in accordance with the Purchaser's instructions, where these are issued, which shall include backdating any applicable payments to the LW Announcement Date. The backdating of payments shall be undertaken entirely at the cost of the Supplier, and the Supplier shall have no right to recover such

costs of noncompliance or the costs of resolving noncompliance from the Purchaser. In the event the Supplier has not resolved the non-compliance within a reasonable time (as determined by the Purchaser in its sole discretion), the Purchaser shall be entitled to cancel the Order in accordance with Clause 3.

37. **COUNTERPARTS**

37.1. The Contract may be executed in any number of counterparts and by the parties in separate counterparts. Each counterpart, when executed, shall be an original and all counterparts shall together constitute one instrument.