

**STANDARD TERMS AND CONDITIONS
FOR THE PURCHASE OF
GOODS AND/OR SERVICES**

1. **Definitions and Interpretation**

1.1 In these Conditions, the following definitions apply:

Bribery Legislation: the Bribery Act 2010 and any and all similar anti-bribery and/or anti-corruption legislation of any jurisdiction applicable from time to time to the Supplier, the Customer, these Conditions and the Contract and/or its subject matter (including, the U.S. Foreign Corrupt Practices Act of 1977).

Business Day: a day that is not a Saturday, Sunday or public or bank holiday in England and/or Wales.

Change of Control: that a person who had Controlled any person ceases to do so or another person acquires Control of such person, unless such Change of Control happens for the purpose of a solvent voluntary reconstruction or amalgamation.

Code: the Customer's Code of Business Conduct as updated from time to time and which is available at www.hsgroup.com

Commencement Date: has the meaning set out in clause 2.2.

Compliance Regulations: together, the Bribery Legislation, the Code, the Customer's Modern Slavery Policy and the Modern Slavery Policy Laws and all applicable laws, regulations and guidance of the United Kingdom and any other applicable local law or regulation, including import and export laws, restrictions, sanctions, national security controls, anti-slavery and human trafficking legislation and anti-corruption legislation.

Conditions: these terms and conditions as amended from time to time in accordance with clause 19.8.

Conflict Minerals: tin, tungsten, tantalum and gold and their ores sourced in conditions of armed conflict and/or human rights abuses, whether in the eastern Democratic Republic of Congo or an adjoining country or otherwise.

Contract: the contract between the Customer and the Supplier for the purchase of Goods and/or Services pursuant to an Order and formed in accordance with clause 2.2.

Control: that a person possesses, directly or indirectly, the power to direct or cause the direction of the affairs and policies of the other person (whether through ownership or share capital, possession of voting power, ability to appoint directors, contract or otherwise) and "Controls" and "Controlled" shall be interpreted accordingly.

Customer: Lionweld Kennedy Flooring Ltd of Westhaven House, Arleston Way, Shirley, Solihull, England, B90 4LH. Registered in England no 05274797 **Customer Materials:** has the meaning set out in clause 5.3(j).

Customer's Modern Slavery Policy: the Anti-Slavery and Human Trafficking Policy of the Customer and/or its parent or holding company, as updated by the Customer and notified to the Supplier from time to time (a copy of which will be made available to the Supplier on request).

Data Protection Laws: means any applicable law relating to the processing, privacy and/or use of Personal Data, as applicable to either party or the Services, including:

- (a) the GDPR;
- (b) the Data Protection Act 2018;
- (c) any laws which implement any such laws;
- (d) any laws that replace, extend, re-enact, consolidate or amend any of the foregoing; and
- (e) all guidance, guidelines, codes of practice and codes of conduct issued by any relevant Data Protection Supervisory Authority relating to such Data Protection Laws (in each case whether or not legally binding).

Deliverables: all documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form or media, including without limitation drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports (including drafts).

Employment Liabilities: any costs, claims, demands, fines, or expenses (including reasonable legal and other professional expenses) and all losses, damages, compensation and other liabilities including those incurred by or attributed to any New Supplier or sub-contractor of the Customer (which shall include any incurred as a result of an indemnity or warranty given, or to be given, by the Customer to a New Supplier or sub-contractor).

GDPR: means the General Data Protection Regulation, Regulation (EU) 2016/679.

Goods: the goods (or any part of them) set out in the Order which the Supplier is to provide to the Customer in accordance with these Conditions.

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

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Modern Slavery Laws: the Modern Slavery Act 2015 and all other applicable laws which relate to slavery, indentured workforces and human trafficking.

Modern Slavery Policy: an internal policy to ensure compliance with the Modern Slavery Laws, which shall include provision of appropriate and regular training for any Supplier Related Party.

MSA Offence: an offence under the Modern Slavery Laws.

New Supplier: any person that provides services in replacement of any of the Services whether those services are the same as or similar to any or all of the Services.

Order: the Customer's order for the supply of Goods and/or Services, as set out in the Customer's purchase order form, or such other form as the Customer may determine from time to time.

Services: the services, including without limitation any Deliverables, to be provided by the Supplier to the Customer under the Contract as set out in the Service Specification.

Service Specification: the description or specification for Services agreed in writing by the Customer and the Supplier.

Supplier: the person or firm from whom the Customer purchases the Goods and/or Services.

Supplier Related Party: the Supplier's officers, employees and agents and all other persons employed or engaged by the Supplier, including its own suppliers, in connection with the Contract or any part of it and/or any associate of such person.

Transfer Regulations: the Transfer of Undertakings (Protection of Employment) Regulations 2006.

1.2 In these Conditions, the following rules of interpretation apply:

- (a) a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its personal representatives, successors or permitted assigns;
- (c) references to any legislation or legislative provision will include any subordinate legislation made under it and will be construed as references to such legislation, legislative provision and/or subordinate legislation as modified, amended, extended, consolidated, re-enacted and/or replaced and in force from time to time;

- (d) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (e) a reference to **writing** or **written** includes e-mail but not other methods of electronic messaging; and
- (f) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders and words expressed in the singular shall include the plural and vice versa.

2. **Basis of Contract**

2.1 The Order constitutes an offer by the Customer to purchase Goods and/or Services from the Supplier in accordance with these Conditions.

2.2 The Order shall be deemed to be accepted on the earlier of:

- (a) the Supplier issuing written acceptance of the Order; or
- (b) any act by the Supplier consistent with fulfilling the Order, at which point and on which date the Contract shall come into existence (**Commencement Date**).

2.3 An Order may be withdrawn or amended by the Customer at any time before acceptance by the Supplier. If the Supplier is unable to accept an Order, it shall notify the Customer promptly.

2.4 These Conditions apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate at any time including in accordance with clause 2.2(a) above, or which are implied by trade, custom, practice or course of dealing.

2.5 All of these Conditions shall apply to the supply of both Goods and Services except where the application to one or the other is specified.

3. **Supply of Goods**

3.1 The Supplier shall ensure that, in addition to conforming in all respects to the relevant provisions of the Sale of Goods Act 1979 and the Supply of Goods and Services Act 1982 and with all other statutory and legal requirements the Goods shall:

- (a) correspond with their description and any applicable Goods Specification and all samples provided or given by the Supplier to the Customer, and all written descriptions published by the Supplier (whether specifically for the Customer or generally) in respect of the Goods;
- (b) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979) and 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 judgment; where applicable, be free from defects in design, materials and workmanship and remain so for 24 months after delivery;
- (d) not infringe the privacy rights or Intellectual Property Rights of any third party; and
- (e) comply with all applicable laws, rules, statutes, regulations, bye-laws and codes of practice, including in relation to the manufacture, labelling, packaging, storage, handling and delivery of the Goods.

3.2 The Supplier shall ensure that at all times it has and maintains all the licences (including import and export licences), permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract in respect of the Goods.

3.3 The Customer shall have the right to inspect and test the Goods at any time before delivery.

3.4 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 3.1, the Customer shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance.

3.5 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.

3.6 Any acceptance of defective Goods or any payment made in respect thereof, shall not constitute a waiver of any of the Customer's rights and remedies, including those set out at clause 7.

4. **Delivery of Goods**

4.1 The Supplier shall ensure that:

- (a) the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition;
- (b) each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number (if any), the type and quantity of the Goods (including the code number 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; and
- (c) if the Supplier requires the Customer to return any packaging material for the Goods to the Supplier, that fact is clearly stated on the delivery note. Any such packaging material shall only be returned to the Supplier at the risk and cost of the Supplier.

4.2 The Supplier shall deliver the Goods:

- (a) on the date specified in the Order or, if no such date is specified, then within three (3) days of the date of the Order;
- (b) to the Customer's premises at the address set out in the Order or as instructed by the Customer before delivery (**Delivery Location**);
- (c) during the Customer's normal hours of business on a Business Day, or as instructed by the Customer.

Time of delivery of the Goods is of the essence of the Contract.

4.3 Delivery of the Goods shall be completed on the completion of unloading of the Goods at the Delivery Location.

4.4 If the Supplier:

- (a) delivers less than ninety per cent (90%) of the quantity of Goods ordered, the Customer may reject the Goods; or
- (b) delivers more than one hundred per cent (100%) of the quantity of Goods ordered, the Customer may at its sole discretion reject the Goods or the excess Goods and any rejected Goods shall be returnable at the Supplier's risk and expense. If the Supplier delivers more or less than the quantity of Goods ordered and the Customer accepts the delivery, a pro rata adjustment shall be made to the price for such Goods.

4.5 The Supplier shall not deliver the Goods in instalments without the Customer's prior written consent. Where it is agreed that the Goods are 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 clauses 7.1 and/or 7.2 below.

4.6 Risk in the Goods shall pass to the Customer on delivery and when the Customer has accepted the Goods as conforming in every respect with the Contract.

4.7 Title to the Goods shall pass to the Customer on the sooner of: (a) payment by the Customer for the Goods; or (b) delivery of the Goods to the Customer.

5. **Supply of Services**

5.1 If the Contract is for or includes Services to be performed by the Supplier then the Supplier shall, from the Commencement Date and for the duration of the Contract, provide the Services to the Customer in accordance with the terms of the Contract.

- (c) The Customer may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to the Customer against any liability of the Customer to the Supplier, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under the Contract or otherwise.
- 10. Intellectual Property Rights**
- 10.1 In respect of the Goods and any goods that are transferred to the Customer as part of the Services under this Contract, including the Deliverables or any part of them, the Supplier warrants that it has full clear and unencumbered title to all such items, and that at the date of delivery of such items to the Customer, it will have full and unrestricted rights to sell and transfer all such items to the Customer.
- 10.2 The Supplier assigns to the Customer, with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Services, including for the avoidance of doubt the Deliverables.
- 10.3 The Supplier shall obtain waivers of all moral rights in the products, including for the avoidance of doubt the Deliverables, of the Services to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.
- 10.4 The Supplier shall, promptly at the Customer's request, do (or procure to be done) all such further acts and things and the execution of all such other documents as the Customer may from time to time require for the purpose of securing for the Customer the full benefit of the Contract, including all right, title and interest in and to the Intellectual Property Rights assigned to the Customer in accordance with clause 10.2 above.
- 10.5 All Customer Materials are the exclusive property of the Customer.
- 10.6 Any background Intellectual Property Rights subsisting in any information provided by the Customer to the Supplier including in the Customer Materials shall remain vested in the Customer and the Customer shall grant to the Supplier a non-exclusive, worldwide, royalty free, revocable licence to use such background Intellectual Property Rights solely for the period of the Contract for the purposes of the Contract. Such licence shall be non-transferable, non-assignable and non-sublicensable except to the extent that the Customer gives its express prior written consent (which may be provided or withheld or conditional, in the Customer's absolute discretion). Any foreground Intellectual Property Rights generated by the Supplier in the performance of its obligations under the Contract or in respect of these Conditions shall vest in the Customer absolutely and the Supplier shall have no interest right or title in respect of the same and shall assign the same in accordance with clause 10.2 above.
- 11. Indemnity**
- 11.1 The Supplier shall keep the Customer indemnified against all liabilities, costs, expenses, damages and losses (including any indirect, special or consequential losses and any direct or indirect loss of profit, loss of revenue, loss of business, loss of anticipated savings, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered incurred by the Customer as a result of or in connection with:
- 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 manufacture, supply or use of the Goods, or receipt, use or supply of the Deliverables and/or the Services;
 - any claim made against the Customer by a third party for death, personal injury or loss or damage to property arising out of, or in connection with, defects in Goods and/or Deliverables, to the extent that the defects in the Goods and/or Deliverables;
 - any claim made against the Customer by a third party arising out of or in connection with the supply of the Goods or the Services, 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 or any Supplier Related Party; and
 - any breach of clauses 6 and 14.
- 11.2 This clause 11 shall survive termination of the Contract.
- 12. Insurance**
- During the term of the Contract and for a period of six (6) 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 the liabilities that may arise under or in connection with the Contract each in the amount which is the higher of:
- the insurance amount(s) specified in the Contract; or
 - in respect of the provision of the Services, cover in the amount of £1,000,000 (One Million Pounds) per event and £3,000,000 (Three Million Pounds) in aggregate and in respect of the manufacture and supply of Goods, cover in the amount of £1,000,000 (One Million Pounds) per event and £5,000,000 (Five Million Pounds) in the aggregate.
- and shall, at 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 of the requisite insurances.
- 13. Confidentiality**
- 13.1 A party (receiving party) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been 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 and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction.
- 13.2 This clause 13 shall survive termination of the Contract.
- 14. Processing of Personal Data**
- 14.1 In this clause 14, the terms "Controller", "Data Subject", "Personal Data", "Processing" and "Processor" shall have the meanings given to them in Data Protection Laws, and "Process" and "Processed" shall be construed accordingly.
- 14.2 Unless otherwise expressly stated in this Contract:
- the Supplier's obligations and the Customer's rights and remedies under this clause 14 are cumulative with, and additional to, any other provisions of this Contract; and
 - this clause 14 shall prevail over any other provision of this Contract in the event of any conflict.
- 14.3 The Customer and the Supplier shall each Process Personal Data in order to perform their respective obligations under the Contract (the "Common Data").
- 14.4 The Customer and the Supplier acknowledge that the factual arrangement between them dictates the role of each party in respect of the Data Protection Laws. Notwithstanding the foregoing, both parties anticipate that, for the purposes of the Contract, in most instances, the Customer and the Supplier shall each be a Controller of the Common Data in common with the other.
- 14.5 In respect of the Common Data, the Customer and the Supplier shall each:
- comply with their respective obligations under the Data Protection Laws;
 - use all reasonable efforts to assist the other to comply with such obligations as are respectively imposed on them by the Data Protection Laws; and
 - ensure that all fair processing notices have been given (and/or, as applicable, consents obtained) and are sufficient in scope to enable the other party to Process the Common Data as required in order to obtain the benefit of its rights, and to fulfil its obligations, under the Contract in accordance with the Data Protection Laws.
- 14.6 In respect of the Common Data the Supplier shall at all times implement and maintain appropriate technical and organisational measures to protect Personal Data against accidental, unauthorised or unlawful destruction, loss, alteration, disclosure or access. Such technical and organisational measures shall be at least equivalent to the technical and organisational measures used by the Customer and shall reflect the nature of the Personal Data.
- 14.7 The Supplier shall (at no cost to the Customer) record and refer all requests and communications received from Data Subjects or any supervisory authority to the Customer which relate (or which may relate) to any Common Data promptly (and in any event within three days of receipt) and shall not respond to any without the Customer's express written approval and strictly in accordance with the Customer's instructions unless and to the extent required by law.
- 14.8 The Supplier shall indemnify and keep indemnified the Customer against:
- all losses, claims, damages, liabilities, fines, interest, penalties, costs, charges, sanctions, expenses, compensation paid to Data Subjects (including compensation to protect goodwill and ex gratia payments), demands and legal and other professional costs (calculated on a full indemnity basis and in each case whether or not arising from any investigation by, or imposed by, a supervisory authority) arising out of or in connection with any breach by the Supplier of its obligations under this clause 14; and
 - all amounts paid or payable by the Customer to a third party which would not have been paid or payable if the Supplier's breach of this clause 14 had not occurred.
- 14.9 This clause 14 shall survive termination or expiry of this Contract for any reason.
- 14.10 The Supplier shall perform all its obligations under this clause 14 at no cost to the Customer.
- 15. Termination**
- 15.1 Without limiting its other rights or remedies, the Customer may terminate the Contract in whole or in part:
- in respect of the supply of Services, by giving the Supplier one (1) months' written notice; and
 - in respect of the supply of Goods, in whole or in part at any time before delivery with immediate effect by giving written notice to the Supplier, whereupon the Supplier shall discontinue all work on the Contract. The Customer shall pay the Supplier fair and reasonable compensation for any work in progress to the extent that the same cannot be redeployed or otherwise mitigated in respect of the Goods at the time of termination, but such compensation shall not include loss of anticipated profits (whether direct or indirect) or any consequential loss, special loss or indirect loss or damage whatsoever.
- 15.2 Without limiting its other rights or remedies, the Supplier may terminate the Contract by giving the Customer three (3) months' written notice.
- 15.3 In any of the circumstances in these Conditions in which a party may terminate the Contract, where both Goods and Services are supplied, that party may terminate the Contract in respect of the Goods, or in respect of the Services, and the Contract shall continue in respect of the remaining supply.
- 15.4 Without limiting its other rights or remedies, the Customer may terminate the Contract in whole or in part with immediate effect by giving written notice to the Supplier if:
- the Supplier commits a material breach of the terms of the Contract and (if such a breach is remediable) fails to remedy that breach within thirty (30) days of receipt of notice in writing to do so. For the avoidance of doubt a breach of clause 6 of these Conditions shall constitute a material breach for the purposes of this clause;
 - the Supplier repeatedly or persistently breaches any of the terms of the Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Contract;
 - 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 or limited liability partnership) 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 has 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;
 - 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;
 - 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 (being a company) 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;
 - the Supplier (being an individual) is the subject of a bankruptcy petition or order;
 - a creditor or encumbrancer 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 fourteen (14) days;
 - 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 (being a company);
 - the holder of a floating charge over the assets of the Supplier (being a company) has become entitled to appoint or has appointed an administrative receiver;
 - 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;
 - 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 in clause 15.4(c) to clause 15.4(j)(inclusive);
 - the Supplier suspends or ceases, or threatens to suspend, or cease, to carry on all or a substantial part of its business;
 - the other party's financial position deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy;
 - the Supplier (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation; or
 - the Supplier undergoes a Change of Control.
- 15.5 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued prior to and as at the date of termination.
- 15.6 Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.
- 16. Consequences of Termination**
- On termination of the Contract for any reason, the Supplier shall immediately deliver to the Customer all Deliverables whether or not then complete, and return all Customer Materials to the Customer, to the extent that the same are not stored in backup IT systems where Supplier shall not be required to have to retrieve the same. Where the Supplier fails to deliver all Deliverables and Customer Materials to the Customer, then the Customer may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract.
- 17. Transfer Regulations**
- 17.1 It is the parties' intention that neither the commencement nor the termination of the Contract or of any of the Services will give rise to a relevant transfer pursuant to the Transfer Regulations.
- 17.2 In addition to any other remedy available to the Customer, the Supplier shall indemnify, defend and hold harmless the Customer, the Customer's group companies and any New Supplier and their respective directors, officers and employees in full and on demand (with no duty to mitigate their