

TRAVIS PERKINS GROUP PURCHASE TERMS

(Goods and Services)

1. Definitions and Interpretations

In these terms:

“**Company**” means the TP Group Company which places the Order;

“**Contract**” means the contract created by the Supplier’s acceptance of the Order which shall be on the earlier of (a) the Supplier issuing a written acceptance of the Order or (b) the Supplier doing any act consistent with fulfilling the Order;

“**Goods**” means the products described in the Order (including their constituent raw materials and processed materials, component parts, packaging, instructions and associated promotional material) and any parts and materials supplied as part of the Services;

“**Intellectual Property**” means any patent, copyright, design right, registered design, trade mark, service mark, know-how, utility model, unregistered design right or where relevant, any application for any such right, or other industrial or intellectual property right subsisting anywhere in the world;

“**Order**” means any order from the Company to the Supplier for the supply of the Goods/Services;

“**Services**” means the services described in the Order (including any ancillary services carried out as part of the supply of Goods); and

“**Supplier**” means the person, firm or company who accepts the Order.

“**TP Group Company**” means Travis Perkins plc and any of its subsidiary companies (as defined in s1159 Companies Act 2006).

1.2 References to any statutory provision shall include (i) any subordinate legislation made under it (ii) any provision which it has modified or re-enacted and (iii) any provision which subsequently supersedes it or re-enacts it.

1.3 These terms are the only terms upon which the Company shall purchase Goods and Services and shall be incorporated into the Contract to the entire exclusion of all other terms including any terms referred to in any order acknowledgement form issued by the Supplier. Any reference to any Supplier’s terms of sale or business shall have no effect.

1.4 Nothing in these terms shall prevent the Company from relying on any terms or remedies implied by statute or common law.

1.5 All documentation and information to be provided pursuant to the Contract shall be in English.

2. Orders

2.1 The Company shall not be bound by any Order unless it is issued or confirmed on the Company’s official order form and signed by a duly authorised signatory of the Company.

2.2 The Company may provide a forecast of the quantity of its anticipated sales of the Goods. Such information is given in good faith but without imposing any obligation on the Company.

2.3 The Supplier shall fulfil all accepted Orders and carry out its obligations with all reasonable skill and care and in accordance with good industry practice.

2.4 At any time prior to delivery of the Goods, the Company shall have the right to inspect and test the Goods.

2.5 In addition to its other rights to terminate, the Company may at any time and for any reason terminate an Order in whole or part by giving the Supplier notice whereupon all work on the Order shall cease and the Company shall pay to the Supplier fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.

3. Delivery/Performance

3.1 The Goods shall be delivered, carriage paid, to the delivery address stated in the Order or such other delivery address as is agreed by the Company in writing prior to delivery of the Goods. Upon arrival, the Supplier shall report to the Company or Company’s customer site representative to receive and comply with instructions and shall offload the Goods at its own risk as directed by the Company or Company’s customer site representative.

3.2 Delivery of the Goods and performance of the Services shall be made within the time set out in the Order or as otherwise agreed between the Company and the Supplier. Time for delivery/performance shall be of the essence. If the Supplier believes that it may not be able to complete an Order in accordance with its terms it shall immediately advise the individual from the Company who placed the Order.

3.3 Delivery/performance shall only be accepted where it can be completed during the Company’s normal working hours at the delivery address. The Supplier shall use all reasonable endeavours to comply with any request from the Company to deliver/perform at specific times. The Company shall be entitled to reject a delivery if it is of the opinion there is a health and safety issue with the load or a container is not loaded properly.

3.4 If the Company agrees to accept delivery of Goods or performance of Services by instalments, each instalment shall nevertheless constitute part of one contract represented by the relevant Order. Failure by the Supplier to deliver any one or more instalment shall entitle the Company to accept or refuse to accept all or any of the instalments.

3.5 If the Goods are delivered to the Company in excess of the quantities ordered, the Company shall not be bound to pay for the excess and any excess shall be at the Supplier’s risk and shall be returnable at the Supplier’s expense.

3.6 If the Company claims that an Order has not been properly fulfilled, the Supplier shall be deemed to accept the validity of the claim unless it serves written notice on the Company disputing the claim and stating the reasons for its dispute within 3 days of the claim date.

3.7 The Supplier represents that it is a competent person for the purposes of compliance with health and safety legislation and acknowledges that the Company is relying on its skill and expertise in carrying out the Services safely and in accordance with those requirements. The Supplier must (where required) supply a suitable method statement and risk assessment for the Services to the Company prior to commencement of the Services.

3.8 All material and workmanship used in connection with the Services shall be guaranteed for a minimum of twelve months from completion of the Services.

3.9 Where the Services comprise property related services, the Supplier shall obtain all materials and hire all plant from a TP Group Company unless it can prove that there is a cost disadvantage, time disadvantage or the materials and plant are not stocked by a TP Group Company. The Supplier shall provide interim and final reports on the source of materials or plant supply to prove compliance.

3.10 The Supplier shall (where applicable) maintain a Construction Industry Scheme class 5 or 6 card (or its equivalent if replaced) throughout the duration of the Contract and produce evidence to the Company on request.

4. Documentation and Packaging

4.1 The Supplier must ensure that all documents relating to the Goods/Services (including advice/delivery notes and invoices) state the Company's order number, product description, product code and quantity.

4.2 The packaging and labelling of the Goods must meet the quality requirements set by, and otherwise be as specified by, the Company. The Company shall not be obliged to return to or account to the Supplier for any packaging materials (including pallets). Any packaging materials which are returned shall be at the Supplier's risk and cost.

5. Supply of Information

5.1 The Supplier shall promptly inform the Company of any matter of which it is or reasonably should be aware relating to the Goods or Services or the storage, transportation, handling, assembly or use of Goods (including legislation or advice from responsible or professional or legal bodies in respect of raw materials or chemicals used in the manufacture of the Goods) and the actions it has taken or proposes to take and those that the Company or (where relevant) its customers should take in relation to such matters.

5.2 The Supplier shall provide to the Company full guidance documentation relating to "control of substances hazardous to health" and all weight, noise and vibration information on the Goods. The Supplier will ensure that all product literature, including instructions for use, is clear and not misleading and complies with applicable laws and regulations, including those relating to consumers. Amendments and additions will be provided by the Supplier immediately.

5.3 The Supplier shall immediately notify the Company in writing together with all relevant details if there is:

- (a) any defect in any Goods previously delivered to the Company or any Services already carried out; or
 - (b) any error or omission in the instructions for the use and/or assembly of the Goods;
- (whether or not a breach of the Contract) which exposes or may expose any person to any risk of death or injury or causes or may cause damage to property.

5.4 The Supplier shall keep full and proper documentation relating to the provision of Goods and Services under the Contract. The Supplier shall allow the Company access to and the right to reproduce the Supplier's documentation for the term of the Contract and six years after.

6. Title and Risk

Title to and risk in the Goods shall pass to the Company on delivery of the Goods to the Company in accordance with 3.1. Title to and risk in any display units to be located at the Company's premises (whether or not funded by the Supplier) shall pass to the Company on delivery.

7. Rejection of Goods

7.1 The Company shall not be deemed to have accepted any Goods or Services until it has had a reasonable time to inspect them following delivery or after any latent defect has become apparent. Neither any inspection or testing by the Company or its representatives whether before or after physical delivery of the Goods or completion of the Services nor the signing of any document acknowledging physical receipt of any Goods or completion of any Services shall constitute acceptance or approval of the Goods/Services by the Company.

7.2 The Company may carry out such testing and inspection of Goods/Services as it considers necessary to ensure that Goods/Services conform with the terms of the Contract. The Supplier shall reimburse the testing costs of non-conforming Goods/Services.

7.3 Without prejudice to any other right or remedy which the Company may have, if any Goods or Services are not supplied in accordance with the Contract, the Company may:

- (a) reject the relevant Goods or Services (in whole or part) and (in respect of Goods) return them to the Supplier (at the Supplier's risk and cost) and raise a debit note against the Supplier's invoice for them;
- (b) give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods or Services or (in respect of Goods) to immediately replace the Goods with Goods that conform to the Contract;
- (c) carry out at the Supplier's expense any work necessary to make the Goods or Services comply with the Contract; and
- (d) claim such damages as may have been sustained in consequence of the Supplier's breach of the Contract.

8. Standards

8.1 The Supplier warrants that the Goods shall:

- (a) be accompanied with accurate, complete and comprehensible instructions in English for the treatment, assembly, use, handling, transportation and/or storage of the Goods;
- (b) be equal in all respects to and in conformity with the samples, drawings, patterns, specifications or other descriptions of the Goods as specified in the Contract;
- (c) conform in all respects with any representations made by the Supplier and with all descriptions, drawings and other standards given by the Supplier prior to the Order.
- (d) be manufactured to and in accordance with all applicable laws and regulations and codes of practice in the country of manufacture and to British and European Standards;
- (e) be of satisfactory quality, free from defects in materials and workmanship and fit for purpose;
- (f) be free from design and other inherent defects; and
- (g) otherwise meet the requirements of the Contract.

8.2 In relation to any Services to be provided by the Supplier, the Supplier undertakes:

- (a) to provide such Services with all reasonable skill and care and in good and workmanlike manner in accordance with the provisions of the Contract;
- (b) that any advice or instructions given by the Supplier to the Company's customers will be true, complete, accurate and not misleading;
- (c) to comply with, and to ensure that its personnel comply with, all relevant laws, regulations and codes of practice;
- (d) that all personnel providing such Services shall wear appropriate personal protection equipment and comply with all site safety instructions; and
- (e) to supply to the Company from time to time such information and reports as the Company reasonably requires in relation to the provision of the Services.

8.3 The Supplier shall be responsible for any errors or omissions in any drawings, calculations, or other information or materials supplied by it whether such information has been approved by or on behalf of the Company or not, provided that such errors or omissions are not due to inaccurate information furnished in writing by the Company.

8.4 In relation to any installation services, the Supplier shall (prior to commencement of the Services) satisfy itself that the site is suitable for the Services to be carried out and check the Goods for shortages and damage.

8.5 The Supplier shall comply at all times with all relevant laws (including, without limitation, British or European statute, statutory rule, order, directive, regulation or other instrument having force of law and all other legislation for the time being in force). With reference to the Waste, Electrical and Electronic Equipment Regulations 2007, the Supplier shall be responsible in full for all producer compliance costs incurred in each calendar year to the relevant authority or scheme for all Goods, save for those Goods which are branded in the Company name or directly imported into the United Kingdom by the Company.

8.6 The Supplier shall comply with the REACH Regulations in respect of all Goods and provide to the Company all information, data and evidence of compliance as is required to enable the Company to comply with its obligations under REACH. If any Goods shall contain substances requiring authorisation/registration under the REACH Regulations the Supplier shall (a) provide full details of such substances to the Company and (b) ensure such Goods will comply with the REACH Regulations on import into the European Union; before supplying such Goods to the Company.

8.7 The Supplier will be responsible for ensuring that it and the manufacturer of its products respect the welfare of employees and of the local community and comply with all applicable laws (including all labour, environmental and health and safety laws). The Supplier must have its own environmental and health and safety policies acceptable to the Company and demonstrate its compliance with such policies.

8.8 The Supplier shall comply with the Company's environment policy and QA standards in force from time to time.

9. Price and Payment

9.1 The price shall be as set out in the Order or as otherwise agreed in writing by the Company and the Supplier and is the only sum payable by the Company (other than VAT) for or in connection with the supply of the Goods or Services.

9.2 Invoices shall be in a form approved by the Company and shall be sent in accordance with the Company's instructions as advised from time to time. All invoices shall be issued within 30 days of delivery of the Goods/completion of the Services.

9.3 The Company shall pay invoices, in Pounds Sterling, by cheque or direct payment into a UK bank account advised by the Supplier and in the Supplier's name. Payment terms are 90 days from date of receipt of invoice, unless otherwise agreed in writing.

9.4 The Company may set off any claim for a money sum that the Company has against the Supplier or any other company in the group of which the Supplier is a member, against any claim for a sum of money that the Supplier has against the Company or any other TP Group Company, whether under the Contract or otherwise.

9.5 If any sum is not paid when due then the party entitled to payment may charge interest on such overdue sum from the due date until payment is made in full at 2% per annum over the Royal Bank of Scotland plc base rate from time to time. The Supplier shall not suspend performance of the Contract as a result of any sums being outstanding.

10. Termination

10.1 The Company may (without prejudice to its other rights and remedies) terminate the Contract, with immediate effect, on notice to the Supplier if:

- (a) the Supplier commits a material or persistent breach of any Contract term; or
- (b) the Supplier becomes insolvent or suffers an insolvency event or other similar event or the Company reasonably believes that the Supplier is about to become insolvent or suffer an insolvency event or other similar event or ceases or threatens to cease to carry on business; or
- (c) the Supplier or any Supplier Group Company shall have offered or given or been offered or given any gift or other consideration as an inducement for doing or refraining from doing any action in relation to the Contract or any other contract with any TP Group Company.

10.2 Any termination of the Contract shall be without prejudice to any rights or remedies which may have accrued to either party before the termination date.

10.3 Where the Company terminates the Contract pursuant to 10.1, the Company may on or within 14 days of giving the termination notice cancel any undelivered Orders without any liability to the Supplier.

11. Materials, Intellectual Property and Information

11.1 The Supplier acknowledges that all materials, equipment and tools, drawings, specifications, and data supplied by a TP Group Company to the Supplier (**Company Materials**) and all rights in the Company Material are and shall remain the exclusive property of the relevant TP Group Company and shall be used by the Supplier solely for the purpose of performing its obligations under the Contract. The Supplier shall keep the Company Materials in safe custody at its own risk, maintain them in good condition until returned to the Company and not dispose or use the same other than in accordance with the Company's written instructions or authorisation.

11.2 The Supplier shall promptly (on the Company's written request at any time and in any event on termination of the Contract) either deliver to the Company or, at the Company's sole option, destroy all Company Materials. In the case of Company Materials held in machine readable form "destruction" shall involve erasing these from the medium on which they are held.

11.3 Any Intellectual Property in or relating to any Goods/Services derived from or containing any Company Intellectual Property and in any materials and information supplied by the Company shall belong to the Company and the Supplier hereby assigns all such Intellectual Property to the Company. The Company's Intellectual Property, materials and information shall only be used by the Supplier to the extent necessary to fulfil its obligations under the Contract. Under no circumstances shall the Supplier (whether during or after termination of the Contract) sell, hire or otherwise dispose or part with possession of any Goods derived from or containing any Company Intellectual Property, other than to a TP Group Company.

11.4 The Supplier shall keep in strict confidence all information concerning the business, products and customers of any TP Group Company. The Supplier shall not without the Company's prior written consent make use of the Company's name or any of its Intellectual Property for promotional or publicity purpose.

11.5 Where the Company supplies data to the Supplier that is covered by the Data Protection Act 1998, the Supplier shall act only in the capacity of Data Processor in carrying out its obligations under the Contract. The Supplier shall only process data in accordance with the Company's instructions and in full compliance with all applicable guidelines and codes of practice issued by the Information Commissioner and the seventh principle of the 1998 Act. The Supplier shall provide a copy of any data requested by the Company within 2 days of request.

12. Liability and Insurance

12.1 The Supplier agrees to indemnify the Company in full against all claims, demands, actions, proceedings and all damages, losses, costs and expenses which are made against or incurred by the Company resulting from:

- (a) any claim by a third party that the manufacture, assembly, sale or supply, offer for sale or supply, possession, advertisement, hire or use of any of the Goods and/or Services by the Company or its customers infringes the Intellectual Property rights of that third party;
- (b) any recall of any Goods already sold by the Company to its customers (and any unsold Goods) and/or any notification to its customers issued by the Company about the manner of use or operation of any Goods already sold by the Company to its customers;
- (c) any liability incurred under the Consumer Protection Act 1987 in respect of the Goods and/or their packaging; and/or
- (d) any breach of any Contract term by the Supplier.

12.2 The Supplier shall maintain such insurances as are appropriate having regard to its obligations under the Contract and in particular public and product liability insurance for a minimum cover of £10million per claim and employer's liability insurance for a minimum of £5million per claim with an insurer acceptable to the Company. The Supplier shall produce a copy of such policies and renewal premium receipt on request.

12.3 The Supplier undertakes not to structure its business and the provision of the Goods or Services in any way that an employee of the Supplier (or agent or subcontractor) could claim to be entitled to transfer to the employment of a TP Group Company pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006. In the event that any such employee claims to be or is entitled to transfer pursuant to these Regulations, the Supplier shall indemnify the relevant TP Group Company in full against any costs, claims, losses or liabilities suffered as a result.

13. General

13.1 Any notice given pursuant to or in relation to the Contract shall be in writing to the registered office of the other party.

13.2 The Company reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of Goods or Services ordered if it is prevented from or delayed in carrying out its business due to circumstances beyond its reasonable control.

13.3 Save for any TP Group Company who shall be entitled to enforce any provision of the Contract, no person who is not a party to the Contract shall have a right to enforce any term of the Contract which expressly or by implication confers a benefit on that person.

13.4 The Supplier shall not be entitled to assign any of its right or obligations under the Contract. TP or any Company may assign any of its rights or obligations under the Contract at any time. The Supplier shall not sub-contract, in whole or in part, performance of any of its obligations under the Contract without the Company's prior written consent. Where the Supplier is allowed to sub-contract it shall continue to be responsible for performance of the Contract. The Company may at any time withdraw its consent for the Supplier to sub-contract any of its obligations under the Contract.

13.5 No waiver by one party of a breach of the Contract by the other party shall be considered as a waiver of any subsequent breach of the same or any other provision. A failure or delay by one party to exercise any right or remedy conferred by the Contract or law shall not be construed as a waiver of that right or remedy unless the Contract imposes a specific period for the exercise of that right or remedy.

13.6 If at any time any term of the Contract is held to be or becomes void or otherwise unenforceable for any reason under any applicable law, the same shall be deemed omitted from the Contract and the validity and/or enforceability of the remaining provisions of the Contract shall not in any way be affected or impaired as a result of that omission.

13.7 Any dispute or claim arising in connection with the Contract shall be governed by and construed in accordance with English law. The English Courts shall have non-exclusive jurisdiction to resolve any such dispute or claim. Where the Supplier is domiciled outside the United Kingdom, the Company may, at its option, elect for a dispute or claim to be referred and finally resolved by arbitration under the UNCITRAL arbitration rules. The London Court of International Arbitration shall be the appointing authority and the number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, England. The language used shall be English.