# Forterra Building Products Limited Purchasing Terms and Conditions – September 2016

The following terms and conditions shall govern the purchasing agreement. No other terms and conditions of the supplier shall form part of the agreement, even if we do not expressly

and conditions of the supplier shall form part of the agreement, even if we do not expressly object to them or we are aware of the supplier's contrary terms and conditions and accept the goods without reservation. 2. All orders, consents, side agreements and subsequent contractual amendments shall only be valid if mutually agreed in writing. 3. Express purchasing terms and conditions mentioned in the order or individual separate contract shall have priority over these general conditions. These conditions shall also apply to future transactions with the supplier.

The prices set forth in the order are fixed prices without indexation unless otherwise agreed in

The prices set form in the other price for all ancillary services required under the agreed in writing. The prices include the price for all ancillary services required under the agreement (e. g. packaging, insurance, inspection costs). III. Delivery time and clauses 1. The agreed delivery times are binding and must be unconditionally met. For part delivery or delivery in advance, our written consent is required. Additional and alteration work does not entitle the supplier to extension of the delivery period, unless mutually agreed in writing in advance.

2. As soon as the supplier believes that he will be wholly or partially unable to fulfil his contractual obligations or be unable to do so as scheduled, he must promptly inform us stating the reason and expected length of the delay.
3. If the supplier does not comply with its delivery/service obligation within the agreed delivery

3. If the supplier does not comply with its delivery/service obligation within the agreed delivery time, then he shall be liable as provided by law. Alternatively, at our election, we are entitled to liquidated damages for late delivery, which, if not otherwise agreed in advance, amounts to 2 % of the sum of the order for each week of delayed delivery or part thereof but not more than 10 %. After four weeks delay we are entitled to cancel the purchase in full or in part.
4. Unless otherwise expressly agreed in writing, goods shall be provided "DDP" according to

the Incoterms 2010.

W Packaging, marking and receiving N. Packaging should be carried out in such a way that it protects the goods from damage and decline in value during transport to the place of delivery and during a reasonable period of storage in a manner suitable for the purpose.

storage in a manner suitable for the purpose. 2. Marking of the goods shall be carried out in accordance with our instructions but this does not limit the supplier's liability for ensuring that the goods are also marked in accordance with their properties as regards fragility, weather resistance, etc. Our order number must be specified on the delivery note, which must always be enclosed with delivered goods and on all other related correspondence. If the goods are delivered without a delivery note, the supplier with heavest provide the supplier of the supplice of the supplier of the supplier of the supplice of the supplier of the supplice of the super supplice of the supplice of the supplice of the super supplice of the super super super supplice of the supplice of the super super super

and entered consequences in the goods are derivered without a derivery hole, the supplier will bear any costs resulting from this.
 The supplier shall in good time before delivery provide us with the necessary information of importance for transport and receipt of the goods. If the delivery contains dangerous goods, we must be informed of this separately.
 Quality and warranties

V. Quality and warranties
1. The supplier warrants that goods delivered and services provided shall meet the contractually agreed qualities, conform to accepted technical rules and to all applicable laws and regulations (including without limitation the relevant provisions on environmental protection, regulations for the prevention of accidents and for employment protection) and that goods do not have defects which would eliminate or diminish their value or their suitability for their customary or contractually prescribed use. The supplier is responsible for ensuring that goods supplied are fit for purpose including any purpose made known by us.
2. If Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 (the "REACH Regulation") applies to the goods supplied, the supplier warrants that the goods supplier shall indemnify us from any claims asserted against us by third-parties (including public authorities) due to non-compliance with the requirements of the REACH Regulation.

third-parties (including public authorities) due to non-compliance with the requirements of the REACH Regulation. 3. Independent of any rights we may have at law we may, at our option, demand the removal of goods, defects in goods or subsequent delivery of goods and the supplier shall bear all costs necessary for such removal or subsequent delivery. We expressly retain the right to claim for costs, losses and damages (including, without limitation, consequential harm caused by defects or the supplier's failure to comply with these terms and financial damages). 4. The warranty period, which is regulated by law, shall apply. Should a longer warranty period be agreed in writing this longer period shall apply. The supplier bears full responsibility for ensuring that the goods maintain their contractual quality during the agreed warranty period. The warranty period with the period during which the goods are a result of a

be agreed in writing this longer period shall apply. The supplier bears full responsibility for ensuring that the goods maintain their contractual quality during the agreed warranty period. The warranty period will be extended by the period, during which the goods as a result of a defect cannot be used for their intended purpose. For a repaired or replaced part, a new warranty period will apply for the same period of time as for the original part. **5.** We may carry out such tests and inspections as we consider necessary to see that services are being performed and that goods are in accordance with our requirements at any time (including at the supplier's works). Goods and services shall not be deemed accepted until we have had 20 working days to inspect and/or test them following performance or delivery at the final destination. Failure to make an inspection, examination or test, or acceptance of goods and services shall in no way relieve the supplier from his obligations under these terms. **6.** The supplier shall ensure and demonstrate on demand that he has all appropriate corporate social responsibility policies and has satisfied all legal requirements, in respect of a) health and safety, b) conservation of the environment, rectification of environmental damage and shall have a sustainability policy which is consistent with our own; c) treatment of workforce including non-discrimination and equal opportunities including compliance with the Modern Slavery Act, d) the practice of fair trade and compliance with the Bribery Act and Competition law in force from time to time; e) quality assurance systems for goods and services and fj ensuring that the supplier does not fall within any of the criteria for rejection of operators by contracting authorities in the award of public contracts, such as criminal conspiracy, corruption, bribery, fraud, theft and money laundering, whether by the supplier or its officers. The supplier shall and shall procure that its employees, affiliates, subcontractors

Notice.
VI. Third party rights, industrial property rights and design
The supplier guarantees that the goods delivered are free of third party rights including, that they do not infringe third party intellectual property rights. If claims are asserted against us on this ground by a third party, the supplier agrees to indemnify us from such claims immediately on our first written demand.
The party who supplied information and designs is responsible for the correctness of the same. The approval of the other party does not exempt such responsibility. However, the eventier responsibilit for alterations to the supplier's design proposed by us.

same. The approval of the other party does not exempt such responsibility. However, the supplier is responsible for alterations to the supplier's design proposed by us. 3. The intellectual property rights in any designs, drawings, models, materials, statistical profiles, data carriers and the like furnished by us shall remain our property. Neither they nor other goods produced using them may be a) given to third parties without our permission; b) used by third parties or used for advertising purposes even after the expiration of the contract. Any such conduct entities us to withdraw from the contract, either in whole or in part, without payment of compensation. **VII. Insurance and health and safety** 1. The supplier shall arrange at his own cost the following liability insurance policies with a reputable insurer a) as required by law; b) sufficient to cover damages caused by and to

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himself, his employees, his agents and the delivered goods themselves; c) public liability insurance with a limit of not less than £5 million per event; and d) if providing services professional indemnity insurance with a limit of indemnity of not less than £2 million per event; and shall, at our request provide us with satisfactory evidence of the same. If the supplier omits to do so, we may, at the supplier's expense, take out such insurance(s) ourselves to provide the equivalent insurance cover. 2. The supplier shall be responsible for ensuring in accordance with best practice the safety of the supplier; its Delegates, and equipment. The supplier shall and shall procure that its Delegates shall comply with our site specific standards, rules and/or procedures as we notify to the supplier and that the supplier and any of its Delegates shall enter our sites at their own risk.

 The supplier shall be liable for and shall indemnify us against any expense, liability, loss,
 The supplier shall be liable for and shall indemnify us against any expense, liability, loss, a the supplet shall be hade to and shall indefinitly us against any expense, nativity, toss, claim or proceedings caused to us or for which we may be liable to third parties in respect of (i) defective workmanship or unsound quality of the goods and/or services supplied; (ii) any wrongful or negligent act or omission by the supplier, its employees, agents, representatives and/or sub-contractors in manufacturing, packing, delivering or supply the goods and/or services or otherwise performing its obligations under this agreement, including damage to our served. 

from us to the supplier, both parties agree that this shall be at the rate of 4% above base and that this is a fair and substantial remedy. 4. Claims for payment for additional or alteration work will only be approved if we have stated in writing that the work may be carried out for extra payment. If we have a claim on the supplier as a result of the purchase, we may withhold as much of the payment as is equivalent the morther. to the claim

5. Title to goods ordered shall pass to us upon delivery of or payment for the goods, whichever is earlier. If payment is made before delivery, the supplier shall clearly identify the goods as our property by visible marking and shall keep the goods separated from other goods the supplier may have in its possession.

goods the supplier may have in its procession. 6. We may demand a bank guarantee or another security acceptable to us, to be issued at the supplier's cost, for any advance payments IX. Termination

 Force majoure, including war and similar events as well as business disruptions of all kinds, strikes, lock-outs and other causes or events which lead to a restriction or suspension of our business operations, shall entitle us to postpone our duty to accept delivery or wholly or partially withdraw from the contract. Postponement or withdrawal does not entitle the supplier

partially withdraw from the contract. Postponement or withdrawal does not entitle the supplier to claim for any damages. 2. If the supplier a) becomes, enters into and/or applies for or calls meetings of members or creditors with a view to one or more of a moratorium, administration, bankruptcy, liquidation (of any kind), or composition and/or arrangement with creditors, and/or have any of his property subjected to one or more of appointment of a receiver, enforcement of security, distress, or execution of a judgment (in each case to include similar events under the laws of other countries) and/or otherwise become unable to pay his debts; b) commits a material or persistent breach of this Agreement; and/or c) has a change in his management or of control in his ownership; then we may, at our option, terminate the contract on notice to the supplier. On termination all sums owing to us on any account shall immediately become due and navable.

On terminitation an source owning to so on any excession and the payable. **3.** We may at any time on 30 days' written notice terminate a contract as to all or any of the goods or services that have not been provided by the end of such notice period. **4.** No termination shall affect or relieve any of the supplier's obligations in respect of any goods or services provided prior to the date of termination. Termination shall not prejudice any rights accrued to either party before termination. On termination of this Agreement for any reason, the supplier shall immediately deliver to us: a) all materials provided for the purposes of the contract; and b) and all other materials incorporating our intellectual property existing at the date of termination, whether or not then complete. If the supplier fails to thift his obligations under this clause, we may enter the supplier's premises and take possession of any items which should have been returned to us. **X. General** 

A. General

 The place of performance shall be the place the goods are to be delivered or at which performance is to be rendered. The agreement and these conditions shall be governed by English law and we both submit to the exclusive jurisdiction of the English courts.
 Should any provisions in these terms and conditions be or become invalid or void, this shall have no effect on the other provisions. The parties shall endeavour to replace the invalid provision with an arrangement that comes as close as possible to its original business purpose.

provision with an arrangement that comes as close as possible to its original business purpose. **3.** In these terms and conditions the term "we" and "our" refers to our legal personality stated in our purchasing agreement and, where the interpretation permits, shall include all of our subsidiaries, holding companies, ultimate holding company or subsidiaries of such holding companies or ultimate holding companies, and "subsidiary" and "holding company" shall bar the meanings attributed to them in Section 1159 Companies Act 2006. **4.** If the contract of employment of any person is at any time deemed or replaced) ("TUPE"), the supplier shall: (a) comply with his obligations under TUPE; and (b) keep us indermified against all loses arising from or in connection with any such transfer or any claimed transfer including, without limitation, any act, omission, default, breach of obligation or negligence of the supplier or his agents, expenses of employment of any such person including without limitation as a result of any indemnify we give to a successor contractor. **5.** Neither party shall at any time disclose to any third party or use, other than for the purposes of discharging its obligations or exercising its rights under these terms, any information of a secret or confidential nature acquired by it concerning the trade business or affairs of the other party and each party will use its reasonable endeavours to prevent its employees or former employees from doing so. This clause shall not apply to information which either party is required by law to disclose.