INEOS COMPOUNDS AYCLIFFE LIMITED

General Conditions of Purchase

BUYER: Ineos Compounds Aycliffe Limited

SELLER: Supplier Overleaf

1. GENERAL

(a) All suppliers of any goods or services specified overleaf or made hereafter (“Goods”) and all orders by Buyer for Goods (“Orders”) are made on and subject to these terms.

(b) These terms (except as they may be specifically varied or excluded) override and exclude any terms of representations of or used by Seller or Buyer, and any course of dealing between the parties, except that in the case of any and all supplies of services, Buyer’s Standard Service Conditions apply.

(c) For the purpose of these terms, “Seller” also means and includes any agent or subcontractor of seller, and Seller accepts full liability for any acts or omissions of any such agents or sub contractors.

2. STANDARD

(a) Goods shall be fit for their purpose, free from any defect, or sound quality, to the reasonable satisfaction of Buyer, and conform in all respects including description and quantity with any written specifications of Buyer. No concessions from specification shall be valid or apply unless Buyer gives prior written conformation thereof to Seller.

(b) Goods and relative documentation, materials and packaging and manner of supply, shall confirm in all respects with all relevant requirements of any legislation, orders, regulations, directives, or codes or practice from time to time in force.

(c) Buyer relies entirely on Seller’s skill and judgement in the supply of goods and the execution of Orders.

(d) Without prejudice to any rights and remedies of Buyer (including Clause 5 hereof) Seller undertakes fully to indemnify Buyer on demand against all actions, claims, demands, losses, charges, costs and all expenses which Buyer may suffer or incur as a respect of
any damage or injury (whether or not fatal) resulting directly or indirectly from any breach of this Clause 2.

3. **PRICE**

(a) The price of goods shall be stated overleaf with no increase unless accepted by Buyer in writing.

(b) Notwithstanding any terms of invoices rendered by Seller, payment shall be due on the 25th of the second month after the month in which goods are delivered or in the case of consignment stock, used by the Buyer.

4. **PASSING OF RISK AND PROPERTY**

(a) Subject to any special arrangement accepted in writing by Buyer for Goods despatched by Buyer from outside the United Kingdom, property and risk in goods shall pass to buyer upon signature therefor at the time of delivery, except to the extent specified by the Buyer on any deliver documentation, and also subject to any other rights and remedies of Buyer including under Clause 5.

(b) In the case of goods supplied on a consignment stock basis, and (except as otherwise provided by any separate written agreement between the parties), neither property nor risk therein shall pass to Buyer until usage if such goods by buyer as notified from time to time by Buyer to Seller, and Buyer shall not be liable for any loss or damage to such Goods.

5. **INSPECTION/RETURN OF GOODS**

(a) Buyer may at any time (including at point of delivery) by written notice to Seller (which may be written on delivery document to Seller) reject the whole or part of any goods, some or all of which fail to meet the requirements pursuant to these terms, provided such notice is given within 7 days after Buyer becoming aware of any such failure. Seller shall thereupon become obliged at its cost promptly to remove all rejected goods from the Buyer’s premises having reimbursed in full to Buyer any payment made therefor by Buyer.

(b) Buyer shall be entitled on not less than 24 hours notice (or immediately in case of emergency) at any stage to enter Seller’s premises and inspect any goods and any materials or equipment used in the production thereof, to take any samples away for confidential analysis and to make specifications relevant to Goods, materials or equipment, but no involvement, act or omission of buyer in this regard shall reduce or exclude any responsibilities or liabilities of Seller pursuant hereto and shall be without prejudice to any other rights of Buyer pursuant hereto. Seller shall not make any
change to the production process of Goods or materials or any equipment used, without first obtaining Buyer’s written consent.

(c) If any guarantee or warranty period is stipulated overleaf or otherwise offered by Seller, then (except as otherwise agreed in writing between the parties) if Buyer shall within such period notify Seller in writing of any such defects in Goods as may have arisen under proper and normal use, Seller shall forthwith remedy such defects (by repair or replacement at Buyer’s choice) without cost to Buyer.

(d) If in the event of Buyer rejecting any goods pursuant hereto, Buyer may return such Goods to Seller at Seller’s risk and expense and elect, (which election shall be promptly fulfilled by Seller) either:

(i) to have such Goods as quickly as possible either repaired by Seller or Replaced by Seller with Goods which comply in all respects with Buyer’s requirements hereunder; or

(ii) to receive from Seller forthwith full cash reimbursement of the price paid by Buyer for such returned Goods.

6. PACKAGING AND SAFETY

(a) All goods shall be packed, marked and transported safety and properly and in accordance with the Buyers instructions and all relevant statutory requirements and requirements of the carriers. In particular Goods shall be marked with the Order number, gross and tare weights, and otherwise as Buyer may specify from time to time. All packaging, containers (and relative documentation) shall be clearly marked with the contents, and with prominent and adequate warnings and instructions in the case of hazardous goods.

(b) Seller shall fully and promptly indemnify Buyer from any loss, claim, fine or penalty, damage on injury (whether or not fatal) resulting from any breach of this Clause 6.

(c) Seller warrants and undertakes to Buyer that all necessary tests and inspections will have been made prior to the delivery of goods to ensure goods are designed, manufactured and operational so as to be safe and without risk to the health and safety of any person using or handling them and that prior to delivery it will have given to the Buyer adequate information about the use for which the Goods have been designed and tested and any conditions necessary to ensure that when handled or used, Goods are safe and without risk to health.

(d) Seller shall permit Buyer or its authorised representatives to make any inspections or tests it may reasonably require and Seller shall free of charge give full access and all reasonable facilities and assistance at its premises on a confidential basis. No failure to make complaint and no approval given at any stage shall constitute a waiver by Buyer or any rights or remedies in respect of
Goods.

(e) In the case of all goods treated as hazardous under any legislation, regulation or order, or specified as such by Buyer in its reasonable opinion, Seller has full responsibility at its cost promptly to remove from Buyer’s premises all containers and packaging materials, and in the case of any other Goods, Seller shall at its cost comply with any such written instructions as to removal as Buyer may give Seller from time to time. All items not removed by Seller shall become the absolute property of Buyer.

(f) Buyer shall be entitled, on reasonable notice to seller prior to seller’s despatch of Goods, to require that containers, pallets or packaging materials comply with certain specifications including type, size, or source of supply, and Seller shall ensure compliance therewith.

7. PATENTS, TRADEMARKS ETC.

(a) Except where Goods are produced according to designs or configurations or by processes specified or supplied by Buyer, Seller undertakes to Buyer that no Goods will (either in the form supplied, or when processed, or incorporated in other goods), infringe the rights of any person, whether in respect of any patent, trademark, registered design, copyright or designright, confidentiality requirement or otherwise howsoever in any part of the world, and Seller undertakes fully to indemnify Buyer on demand against all actions, claims, demands, losses, charges, costs and expenses which Buyer may suffer or incur costs and expenses which Buyer may suffer or incur in connection with any claim by and third party alleging facts which if established would indicate a breach of the undertakings contained in this Clause 7(a).

(b) All rights of Buyer (including ownership, copyright and designright) in all designs, configurations, processes, specifications, plans, models, other information or know-how in whatever form contained disclosed to or obtained by Seller shall remain solely in Buyer, and Seller shall not (except to the extent necessary to implement an Order) without Buyer’s prior written consent, make any use or disclosure thereof and shall return all originals and copies to buyer forthwith on demand.

8. DELIVERY PROCEDURES

(a) The time of delivery shall be of the essence and if the Seller fails to deliver either at or within the time, or upon the date specified then Buyer shall have no obligation to accept and pay for the Goods and may cancel all or part of the Order in either case without prejudice to any other rights or remedies of Buyer.

(b) Place of delivery shall be specified as overleaf or otherwise agreed in writing between the two parties.
(c) In the event that the Buyer shall specify Delivery to a person other than the Buyer, such person shall be deemed to have all the rights and entitlements of Buyer under this Clause 8, and Seller shall comply with all its obligations under this Clause 8 as if such person were Buyer, (without prejudice however to Buyer’s rights hereunder).

(d) Without prejudice to Buyer’s statutory duties any access to premises or plant, and any labour or equipment provided by Buyer in connection with delivery or installation, or otherwise to Seller, its subcontractors or agents, shall be provided without acceptance by Buyer of any liability whatsoever and Seller undertakes to comply with all written instructions given by Buyer to Seller in relation thereto and also to fully indemnify buyer on demand against all actions, claims, demands, losses, charges, costs and expenses which Buyer may suffer or incur arising from any damage or injury (whether or not fatal) occurring in the course of the provision of any such access, labour or equipment to the extent that such damage or injury is attributable to any act or omission of Seller or its agents or subcontractors or any person acting on their behalf.

(e) Buyer shall be entitled to weigh, measure and otherwise tests and inspect goods as it sees fit at or prior to delivery or thereafter, and buyer’s determination thereof shall be conclusive, but Seller shall be given reasonable facilities to verify the accuracy of weighing and measuring equipment.

(f) Subject to any special arrangement accepted in writing by Buyer for goods despatched to Buyer from outside the United Kingdom, Seller shall free of charge and as quickly as possible either repair or replace (at Buyer’s option) such goods as may either be damaged or lost in transit.

9. TERMINATION

Without prejudice to any other rights or remedies of Buyer hereunder Buyer shall have the right forthwith by written notice to seller to terminate all Orders and all arrangements or agreements for the production or supply of any Goods by or on behalf of seller if:

(i) Seller shall commit any act of insolvency or go into liquidation, or a petition be presented for its winding up or a receiver or administrator be appointed over all or part of its assets; or

(ii) Seller shall be subject to any change in control whether by a shared acquisition or board representation; or

(iii) Seller shall be in breach of any of its obligations hereunder.

10. ASSIGNMENT AND APPLICABILITY
(a) Seller shall not assign any benefit or burden hereunder or under any Order without the consent in writing of the Buyer, which may if given be on such terms as to guarantee or indemnify or otherwise as Buyer thinks fit.

(b) These terms and those overleaf constitute the entire agreement between the parties in connection with their subject matter, and apply except to the extent that the parties shall otherwise agree in writing.

(c) No sub-contracting by Seller shall in any way relieve Seller of any of its responsibilities hereunder.

(d) For the avoidance of doubt it is hereby confirmed that the acts and omissions of employees and officers of Seller or any of its agents or sub-contractors shall be deemed to be acts and omissions of Seller (or such agents or subcontractors as the case may be).

11. **PROPER LAW**

These terms and all Orders and all arrangements and agreements hereunder shall be governed by and construed in accordance with English Law and the parties hereby submit to the jurisdiction of the English Courts.

12. **NOTICES**

Any notice given under or pursuant hereto shall be in writing and sent by hand or first class post or other faster postal service, or telefax, or other means of telecommunication in permanent form (provided the addressee has the facilities for receiving such transmission) to the address or relevant telecommunications number of the addressee shown overleaf or such other address or number as such party may by notice to the other have substituted therefore. Such notice shall be deemed validly given on the day when in the ordinary course of the means of transmission it would first be received by the addressee in normal business hours.

13. **LIFE SAVING RULES**

INEOS is committed to ensuring that it maintains the highest possible safety standards. We have identified **seven lifesaving rules** that are vital for the protection of our staff, our contractors and logistics service providers.

The Seven INEOS Lifesaving Rules are:

1. No consumption or being under the influence of alcohol or drugs on company property.
2. No smoking outside dedicated smoking areas.
3. No work on live equipment/machines to commence without authorisation.
4. Safety critical devices/interlocks must not be disabled or overridden without authorization.
5. Persons working at height must use proper fall protection.
6. No entry to confined space without authorisation and gas test.
7. Lifting & hoisting: no unauthorised person to enter the defined danger zone where objects can fall.
Terms of Contract for Life Saving Rule Breaches

1. Immediate removal from INEOS site of any contractor (or subcontractor) that has breached any one of the Lifesaving rules.

1. Payment by the contractor of a 2% malus of supplier spend on site @ site (previous calendar year or YTD in case of new agreement), / liquidated damages of any breach of any INEOS Lifesaving Rules by the employee of a contractor (or subcontractor). This will be capped to a 4% malus in any 12 months period.

2. Termination of the contract upon the 2nd instance of any breach of one of the life saving rules by the employee of a contractor (or subcontractor).