

## **PO Terms and Conditions**

### **1. Contract Formation and Scope**

1.1 These Terms and Conditions (“Terms”) govern all Purchase Orders (“POs”) issued by the legal entity identified on the PO (“Client”) to the Supplier for the provision of goods, services, or works, including those subject to the Construction (Design and Management) Regulations 2015 (“CDM 2015”).

1.2 The PO, together with these Terms, any referenced specifications, schedules, or annexes, make up the whole agreement. No other terms apply unless both sides agree in writing.

1.3 The Supplier shall be deemed to have accepted the PO and these Terms by:

- Confirming acceptance in writing;
- Commencing delivery or performance;
- Accepting payment under the PO.

1.4 Unless explicitly stated, the PO does not constitute a commitment to purchase any minimum quantity.

1.5 In the event of any conflict between these Terms and a separate written agreement signed by both parties, the terms of the signed agreement shall prevail.

### **2. Duration and Delivery Obligations**

2.1 The PO shall commence on the date of issue and remain in force until:

- All deliverables are accepted by the Client;
- The PO is terminated in accordance with Clause 11;
- A fixed expiry date is reached (if specified).

2.2 The Supplier shall deliver all goods, services, or works:

- In accordance with the delivery schedule stated in the PO;
- To the location specified by the Client;
- Using appropriate packaging, labelling, and documentation.

2.3 Time is of the essence. Any anticipated delay must be notified immediately, with proposed mitigation measures.

2.4 Partial deliveries may be accepted at the Client’s discretion but shall not constitute acceptance of the entire PO.

2.5 The Client shall have a reasonable opportunity to inspect goods, services, or works following delivery or completion. Acceptance shall not occur until the Client has had such opportunity to verify compliance with the PO requirements.

2.6 The Client may reject any goods, services or works that do not comply with the PO and require the Supplier to repair, replace, or re-perform them at no additional cost.

2.7 The Supplier warrants that all goods, services, and works supplied under the PO shall be of satisfactory quality, fit for purpose and in accordance with the PO requirements.

2.8 Any defects identified within twelve (12) months of acceptance shall be remedied by the Supplier at its own cost within a reasonable period.

### **3. Performance Standards, Quality Assurance, and CDM 2015 Compliance**

3.1 The Supplier shall perform all obligations under the PO in accordance with:

- The specification and requirements stated in the PO;
- Good Industry Practice;
- All applicable laws, regulations, and standards, including CDM 2015 where relevant;
- Any Key Performance Indicators (KPIs) set out in the PO or referenced schedules.

3.2 The Supplier shall maintain appropriate quality management arrangements proportionate to the nature of the goods, services or works being supplied and, where applicable, maintain ISO 9001 certification or an equivalent quality management standard and provide evidence of compliance upon request.

3.3 The Client reserves the right to inspect, audit, or test deliverables at any stage of production or delivery.

3.4 Where performance falls below agreed standards, the Client may:

- Require corrective action;
- Apply contractual remedies;
- Escalate in accordance with the performance management procedure.

3.5 Where the PO relates to construction or design works, For construction/design work, the Supplier must:

- Fully follow CDM 2015,
- Make sure staff are trained and know their safety duties,
- Work with the Client and others to manage safety,
- Prepare all required safety documents,
- Report any safety risks or incidents.

### **4. Risk Management**

4.1 The Supplier shall identify and manage risks associated with the delivery of the PO in a manner proportionate to the nature and complexity of the goods, services, or works being provided.

4.2 The Supplier shall promptly notify the Client of any material risk, issue, delay, or circumstance that may adversely affect performance of the PO and shall take reasonable steps to mitigate its impact.

4.3 Where the PO relates to construction or higher risk activities, the Supplier shall cooperate with the Client and other relevant parties in identifying, assessing and managing risks including those arising under CDM 2015.

4.3 The Supplier shall ensure that any subcontractors engaged in connection with the PO are subject to appropriate risk management and control measures.

### **5. Subcontracting and Supply Chain Governance**

5.1 The Supplier shall not subcontract any part of the PO without prior written consent from the Client.

5.2 Where subcontracting is permitted, the Supplier shall provide:

- Subcontractor’s details,
- What work they’ll do and its value,
- Proof of fair terms if the subcontractor is related.

5.3 Subcontractors must:

- Follow the same rules as the Supplier, including CDM 2015, where applicable;
- Are paid within 30 days of receiving a valid invoice (as per s73 of the Procurement Act 2023);
- Are not listed on any debarment or exclusion registers.

5.4 The Supplier remains fully liable for subcontractor performance and compliance.

### **6. Pricing, Invoicing, and Payment Terms**

6.1 Prices stated in the PO are fixed and inclusive of all costs, unless varied in accordance with Clause 7.

6.2 The Supplier shall submit invoices in the format specified by the Client, quoting the PO number and providing supporting documentation.

6.3 The Client shall pay valid invoices within 30 days if:

- Deliverables are accepted; and
- There are no disputes or defaults.

6.4 The Client can withhold payment for:

- Non-compliant, defective, or incomplete work,
- Breaches or missed targets.

6.5 No additional charges shall apply unless agreed via a formal variation.

6.6 The Supplier can’t transfer payment rights without prior written consent.

6.7 The Client may deduct from any sums due to the Supplier any sums that the Supplier owes to the Client under the PO.

### **7. Variations and Legislative Change**

7.1 The Client may request changes to scope, price, or delivery using a Variation Form. The Supplier shall respond with an impact assessment and pricing.

7.2 A variation shall only be effective once agreed and signed by both parties.

7.3 Legislative changes shall be managed as follows:

- General changes in law do not entitle the Supplier to price increases;
- Specific changes in law may be considered if unforeseeable and evidenced;
- Any resulting adjustments must follow the variation procedure.

7.4 The Supplier shall use reasonable endeavours to mitigate any cost increases and provide evidence of such efforts.

## **8. Confidentiality and Data Protection**

8.1 Each party shall treat all confidential information received under the PO as confidential and use it only for contract delivery.

8.2 Disclosure is permitted only:

- Where required by law, audit, or parliamentary reporting;
- To government bodies for transparency or benchmarking;
- With prior written consent.

8.3 The Supplier shall ensure that its personnel and subcontractors are aware of and comply with confidentiality obligations.

8.4 Both parties shall comply with applicable data protection legislation, including the UK GDPR and Data Protection Act 2018.

8.5 Breach of confidentiality may be treated as a material default and grounds for termination.

## **9. Intellectual Property Rights**

9.1 The Supplier shall notify the Client of any third-party intellectual property restrictions or obligations relevant to the deliverables.

9.2 The Supplier shall indemnify the Client against any claims of infringement arising from the use of deliverables.

9.3 Ownership and licensing of intellectual property shall be as specified in the PO or supporting documents.

9.4 The Supplier shall ensure that all deliverables are free from encumbrances and suitable for use by the Client and its stakeholders.

9.5 Unless otherwise agreed in writing, the Supplier grants the Client a perpetual, non-exclusive, royalty-free licence to use, copy and maintain any deliverables supplied under the PO to the extent necessary for the Client's internal business purposes.

## **10. Insurance Requirements**

10.1 The Supplier shall maintain the following insurances with reputable insurers:

- Employer's Liability Insurance;
- Public Liability Insurance;
- Professional Indemnity Insurance;
- Product Liability Insurance (if applicable).

10.2 Insurance policies shall include an indemnity to principals clause and be effective from the PO start date.

10.3 The Supplier shall provide evidence of insurance upon request and at renewal.

10.4 The Supplier shall ensure that subcontractors maintain appropriate insurance.

10.5 Insurance cover shall not limit the Supplier's liability under the PO.

## **11. Compliance, Ethics, and Anti-Bribery**

11.1 The Supplier shall comply with all applicable laws, including:

- The Bribery Act 2010;
- The Procurement Act 2023;
- The Construction (Design and Management) Regulations 2015 (CDM 2015);
- Any relevant DEFCONs or public sector regulations.

11.2 The Supplier shall maintain and enforce anti-bribery and anti-corruption policies and report any suspected fraud.

11.3 Any breach of this clause shall be deemed a material default and may result in termination.

11.4 The Supplier shall not offer, give, or receive any gift, payment, or benefit that could be construed as a bribe or inducement.

## **12. Termination and Exit Management**

12.1 The Client may terminate the PO:

- For convenience, with reasonable notice;
- For material breach, including failure to perform or comply;
- For insolvency, unethical conduct, or legal prohibition.

12.2 Upon termination, the Supplier shall:

- Cease work immediately;
- Return all Client property and confidential information;
- Submit final invoices and cooperate with any transition.

12.3 Termination shall not affect any accrued rights or obligations.

12.4 The Supplier shall provide an exit plan if requested, including handover of documentation, assets, and knowledge.

## **13. Dispute Resolution**

13.1 Disputes shall be resolved through:

- Good faith negotiation;
- Mediation or arbitration if required;
- English law and jurisdiction (unless otherwise agreed).

13.2 The Supplier shall continue performance during dispute resolution unless instructed otherwise.

13.3 The Client may escalate disputes in accordance with its internal governance or DEFCON procedures.

## **14. Transparency, Publicity, and Branding**

14.1 The Supplier acknowledges that:

- Contract details may be published under the Procurement Act 2023;
- Performance data may be reported publicly if the contract value exceeds £5 million;
- The Client may disclose Supplier contact details and pricing.

14.2 The Supplier shall not:

- Use the Client's name, logo, or branding without written approval;
- Publicise the PO or related work without consent.

14.3 The Client may publicise the PO in accordance with legal obligations.

14.4 Any marketing content must be approved in advance and kept up to date. Failure to do so may result in removal or corrective action.