

Terms and Conditions of Purchase of Goods and Service

1 INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement.

1 Definitions:

"Business Day" means a day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business

"Commencement Date" means has the meaning given in clause 2.2

"Conditions" means these terms and conditions as amended from time to time in accordance with clause 18.3

"Contract" means the contract between the Customer and the Supplier for the supply of Goods and/or Services in accordance with these Conditions

"Customer" means **AVARA FOODS LIMITED**, of 1 Willow Road, Brackley, Northamptonshire, United Kingdom, NN13 7EX (registered in England and Wales with company number 10973868) and its subsidiary companies

"Deliverables" means 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 drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports (including drafts)

"Goods" means the goods (or any part of them) set out in the Order

"Intellectual Property Rights" means patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), 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

"**Order**" means the Customer's purchase order for the supply of Goods and/or Services, as set out in the Customer's purchase order form, or in the Customer's written acceptance of the Supplier's quotation, or overleaf, as the case may be

"**Services**" means the services, including any Deliverables, to be provided by the Supplier under the Contract as set out in the Service Specification

"**Supplier**" means the person or firm from whom the Customer purchases the Goods and/or Services.

2 Interpretation:

(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 successors and permitted assigns.

(c) A reference to a statute or statutory provision is a reference to it as amended or re-enacted. A reference to a statute or statutory provision includes all subordinate legislation made under that statute or statutory provision.

(d) Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

(e) A reference to **writing** or **written** includes fax and email.

2 BASIS OF CONTRACT

2.1 Unless specified elsewhere in the Contract or any other agreement, the Order constitutes an offer by the Customer to purchase Goods and/or Services from the Supplier in accordance with these Conditions.

2.2 An Order made in accordance with clause 2.1 shall be deemed to be accepted on the earlier of:

2.2.1 the Supplier issuing written acceptance of the Order, quoting the Customer's purchase order number; or

2.2.2 subject to the Customer having issued a purchase order number, 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 These Conditions apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. The Supplier waives any right it might otherwise have to rely on any such terms.
- 2.4 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 the Goods shall:
- 3.1.1 correspond with their description and any applicable agreed written specification;
 - 3.1.2 be of the highest quality 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 judgement;
 - 3.1.3 where they are manufactured products, be free from defects in design, materials and workmanship and remain so for 12 months after delivery or any other specifically agreed or customarily longer acceptable period;
 - 3.1.4 comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods; and
 - 3.1.5 contain no genetically modified organisms without the Customer's consent in writing.
- 3.2 The Supplier shall ensure that at all times it has and maintains all the 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 Supplier agrees not to make any changes in the production process or inputs (including processing aids) of any Goods without prior notice to and written approval by the Customer if the change(s) would adversely affect Supplier's ability to meet the Specifications and/or deliver the same product functionality as the Goods approved by the Customer.
- 3.4 The Customer may carry out inspections of the manufacturing and other facilities and equipment used by the Supplier in the production, storage and delivery of the Products, and inspect and test the Goods at any time

before delivery. The Supplier shall remain fully responsible for the Goods despite any such inspection or testing and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract.

- 3.5 If following such inspection or testing the Customer considers that the Goods do not comply 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.

4 DELIVERY OF GOODS

4.1 The Supplier shall ensure that:

- 4.1.1 the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition;
- 4.1.2 each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the purchase order number, 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;
- 4.1.3 the Goods will not be packaged in any container or loaded into any vehicle that (i) is not clean, (ii) may damage, contaminate, deteriorate or adulterate any of the Goods, or (iii) will otherwise render the Goods unfit for their intended uses; and
- 4.1.4 it states clearly on the delivery note any requirement for the Customer to return any packaging material for the Goods to the Supplier. Any such packaging material shall only be returned to the Supplier at the cost of the Supplier.

4.2 The Supplier shall deliver the Goods:

- 4.2.1 on the date specified in the Order;
- 4.2.2 to the delivery location specified in the Contract; and
- 4.2.3 during the Customer's normal hours of business, or as instructed by the Customer.

4.3 Delivery of the Goods shall be completed on the later of completion of unloading of the Goods at the delivery location and signing of a delivery note by the Customer.

4.4 If the Supplier:

4.4.1 delivers less than 95% of the quantity of Goods ordered, the Customer may reject the Goods; or

4.4.2 delivers more than 105% 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 less than the quantity of Goods ordered, and the Customer accepts the delivery, the Supplier shall make a pro rata adjustment to the invoice for the Goods. If the Supplier delivers more than the quantity of Goods ordered, and the Customer accepts the delivery, the excess shall be deemed free of charge.

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 clause 6.1.

4.6 Title and risk in the Goods shall pass to the Customer on completion of delivery.

5 SUPPLY OF SERVICES

5.1 The Supplier shall from the date set out in the Order and for the duration of the Contract supply the Services to the Customer in accordance with the terms of the Contract.

5.2 The Supplier shall meet any performance dates for the Services specified in the Order or that the Customer notifies to the Supplier and time is of the essence in relation to any of those performance dates.

5.3 In providing the Services, the Supplier shall:

5.3.1 co-operate with the Customer in all matters relating to the Services, and comply with all instructions of the Customer;

5.3.2 perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;

5.3.3 use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Contract;

- 5.3.4 ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the agreed written service specification, and that the Deliverables shall be fit for any purpose that the Customer expressly or impliedly makes known to the Supplier;
- 5.3.5 provide all equipment, tools and vehicles and such other items as are required to provide the Services;
- 5.3.6 use the best quality goods, materials, standards and techniques, and ensure that the Deliverables, and all goods and materials supplied and used in the Services or transferred to the Customer, will be free from defects in workmanship, installation and design;
- 5.3.7 obtain and at all times maintain all licences and consents which may be required for the provision of the Services;
- 5.3.8 comply with all applicable laws, regulations, regulatory policies, guidelines or industry codes which may apply to the provision of the Services, and with the Customer's relevant policies notified to the Supplier;
- 5.3.9 observe all health and safety rules and regulations and any other security requirements that apply at any of the Customer's premises;
- 5.3.10 hold all materials, equipment and tools, drawings, specifications and data supplied by the Customer to the Supplier ("**Customer Materials**") in safe custody at its own risk, maintain the Customer Materials in good condition until returned to the Customer, and not dispose or use the Customer Materials other than in accordance with the Customer's written instructions or authorisation;
- 5.3.11 not do or omit to do anything which may cause the Customer to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that the Customer may rely or act on the Services;
- 5.3.12 comply with any additional obligations as set out in the Service Specification.

6 ACCEPTANCE AND REMEDIES

- 6.1 The Customer shall not be deemed to have accepted the Goods or Services until it has had a reasonable time to inspect or check them following delivery or completion, or, in the case of a latent defect, until a reasonable time after the latent defect has become apparent.
- 6.2 If the Supplier fails to deliver the Goods and/or perform the Services by the applicable date, the Customer shall, without limiting or affecting other rights or remedies available to it, have one or more of the following rights:
- 6.2.1 to terminate the Contract with immediate effect by giving written notice to the Supplier;
 - 6.2.2 to reject the Goods (in whole or in part) whether or not title has passed and to require the Supplier to take them back or to return them to the Supplier at the Supplier's own risk and expense;
 - 6.2.3 to refuse to accept any subsequent performance of the Services which the Supplier attempts to make;
 - 6.2.4 to recover from the Supplier any costs incurred by the Customer in obtaining substitute goods and/or services from a third party;
 - 6.2.5 to require a refund from the Supplier of sums paid in advance for Services that the Supplier has not provided and/or Goods that it has not delivered; and
 - 6.2.6 to claim damages for any other costs, loss or expenses incurred by the Customer which are in any way attributable to the Supplier's failure to meet such dates.
- 6.3 These Conditions shall extend to any substituted or remedial services and/or repaired or replacement goods supplied by the Supplier.
- 6.4 The Customer's rights under the Contract are in addition to its rights and remedies implied by statute and common law.

7 CUSTOMER'S OBLIGATIONS

The Customer shall:

- 7.1.1 provide the Supplier with reasonable access at reasonable times to the Customer's premises for the purpose of providing the Services;
- 7.1.2 provide such necessary information for the provision of the Services as the Supplier may reasonably request.

8 CHARGES AND PAYMENT

8.1 The price for the Goods:

- 8.1.1 shall be the price set out in the Order; and
- 8.1.2 shall be inclusive of the costs of packaging, insurance and carriage of the Goods. No extra charges shall be effective unless agreed in writing and signed by the Customer.

8.2 The charges for the Services shall be set out in the Order, and shall be the full and exclusive remuneration of the Supplier in respect of the performance of the Services. Unless otherwise agreed in writing by the Customer, the charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.

8.3 In respect of the Goods, the Supplier shall invoice the Customer on or at any time after completion of delivery. In respect of Services, the Supplier shall invoice the Customer on completion of the Services. Each invoice shall include such supporting information required by the Customer to verify the accuracy of the invoice, including but not limited to the relevant purchase order number.

8.4 The Customer shall pay the invoiced amounts within 45 days of the date of a correctly rendered invoice to a bank account nominated in writing by the Supplier.

8.5 All amounts payable by the Customer under the Contract are exclusive of valued added tax chargeable from time to time ("**VAT**"). Where any taxable supply for VAT purposes is made, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable.

8.6 If the Customer fails to make a payment by the due date, it shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause 8.6 will accrue each day at 2% a year above the Bank of England's base rate from time to time.

8.7 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.

8.8 The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Services, and the Supplier shall allow the Customer to inspect such records at all reasonable times on request.

9 INTELLECTUAL PROPERTY RIGHTS

9.1 All Intellectual Property Rights in or arising out of or in connection with the Services (other than Intellectual Property Rights in any Customer Materials) shall be owned by the Supplier.

9.2 The Supplier grants to the Customer, or shall procure the direct grant to the Customer of, a fully paid-up, worldwide, non-exclusive, royalty-free perpetual and irrevocable licence to copy and modify the Deliverables (excluding Customer Materials) for the purpose of receiving and using the Services and the Deliverables.

9.3 The Customer grants the Supplier a fully paid-up, non-exclusive, royalty-free non-transferable licence to copy and modify any materials provided by the Customer to the Supplier for the term of the Contract for the purpose of providing the Services to the Customer.

9.4 All Customer Materials are the exclusive property of the Customer.

10 INDEMNITY

10.1 The Supplier shall indemnify the Customer against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by the Customer arising out of or in connection with:

10.1.1 the Supplier's breach or negligent performance or non-performance of this Agreement;

10.1.2 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 Services (excluding the Customer Materials);

10.1.3 any claim made against the Customer by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in the Goods, as delivered, or the Deliverables; and

10.1.4 any claim made against the Customer by a third party arising out of or in connection with the supply of the Goods, as delivered, or the Services.

10.2 This clause 10 shall survive termination of the Contract.

11 INSURANCE

11.1 During this Agreement and for a period of five years afterwards the Supplier shall maintain in force the following insurance policies with reputable insurance companies:

11.1.1 public liability insurance for not less than £10 million per claim;

11.1.2 product liability insurance for not less than £10 million for claims arising from any single event and in aggregate for all claims arising in a year; and

11.1.3 employer's liability insurance for not less than £25 million.

11.2 The Supplier shall on request produce details and evidence of the cover provided.

11.3 The Supplier's liabilities under the Contract shall not be deemed to be released or limited by the Supplier taking out the insurance policies referred to above.

12 CONFIDENTIALITY

12.1 Each party undertakes that it shall not at any time during the Contract and for a period of five years after termination of the Contract, disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party, except as permitted by clause 12.2.

12.2 Each party may disclose the other party's confidential information:

12.2.1 to its employees, officers, representatives, subcontractors or advisers who need to know such information for the purposes of carrying out the party's obligations under the Contract. Each party shall ensure that its employees, officers, representatives, subcontractors or advisers to whom it discloses the other party's confidential information must comply with this clause 12; and

12.2.2 as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

12.3 Neither party shall use the other party's confidential information for any purpose other than to perform its obligations under the Contract.

13 COMPLIANCE WITH RELEVANT LAWS AND POLICIES

13.1 In performing its obligations under the Contract, the Supplier shall:

13.1.1 comply with all applicable laws, statutes, regulations and codes from time to time in force; and

13.1.2 comply with the Customer's policies on anti-bribery, personal data and privacy, modern slavery and with The Ethical Trading Initiative (ETI) Base Code, available on the ETI website at <https://www.ethicaltrade.org/about-eti>

13.2 The Customer may immediately terminate the Contract for any breach of this clause.

14 DATA PROTECTION

14.1 Each party shall, at its own expense, ensure that it complies with and assists the other party to comply with the requirements of all legislation and regulatory requirements in force from time to time relating to the use of personal data, including, without limitation, (i) the Data Protection Act 2018, (ii) the General Data Protection Regulation ((EU) 2016/679) (GDPR) and any national implementing laws, regulations and secondary legislation, for so long as the GDPR is effective in the UK, and (iii) any successor legislation.

15 TERMINATION

15.1 The Customer may terminate the Contract in whole or in part at any time before delivery with immediate effect by giving the Supplier written notice, 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 on the Goods at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss.

15.2 Without limiting its other rights or remedies, the Customer may terminate the Contract with immediate effect by giving written notice to the Supplier if:

- 15.2.1 the Supplier commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within a reasonable time not exceeding 14 days of that party being notified in writing to do so;
 - 15.2.2 the Supplier takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court,), having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
 - 15.2.3 the Supplier takes any step or action in connection with the Supplier being made bankrupt, entering any composition or arrangement with his creditors, having a receiver appointed to any of his assets, or ceasing to carry on business or if any step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
 - 15.2.4 the Supplier suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business; or
 - 15.2.5 the Supplier's financial position deteriorates to such an extent that in the Customer's opinion the Supplier's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy.
- 15.3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.

16 CONSEQUENCES OF TERMINATION

- 16.1 On termination of the Contract, the Supplier shall immediately deliver to the Customer all Deliverables whether or not then complete, and return all Customer Materials. If the Supplier fails to do so, 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 the Contract.
- 16.2 Termination or expiry of the Contract shall not affect the parties' rights and remedies that have accrued as at termination or expiry, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry.

16.3 Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination or expiry of the Contract shall remain in full force and effect.

17 **FORCE MAJEURE**

17.1 Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under it if such delay or failure results from an event, circumstance or cause beyond its reasonable control. If the period of delay or non-performance continues for 4 weeks, the party not affected may terminate the Contract by giving 14 days written notice to the affected party.

18 **GENERAL**

18.1 **Assignment and other dealings.** The Supplier may not assign, transfer, charge, subcontract, or deal in any other manner with any or all of its rights or obligations under the Contract without the prior written consent of the Customer.

18.2 **Entire agreement.** The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

18.3 **Variation.** Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions, shall be effective unless it is agreed in writing and signed by the Customer.

18.4 **Waiver.** Except as set out in clause 2.3, no failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

18.5 **Severance.** If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

18.6 **Notices.**

- 18.6.1 Any notice [or other communication] given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, or sent by pre-paid first class post or other next working day delivery service, commercial courier, or email.
- 18.6.2 This clause does not apply to the service of any proceedings or other documents in any legal action, or other method of dispute resolution.
- 18.7 **Third party rights.** No one other than a party to the Contract and permitted assignees shall have any right to enforce any of its terms.
- 18.8 **Governing law.** The Contract, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.
- 18.9 **Jurisdiction.** Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.