

GENERAL CONDITIONS OF PURCHASE

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1. Definitions

Supplier	shall be the person, firm, or company to whom the purchase Order is addressed.
Purchaser	shall mean ACWA Services Limited.
Client	shall be the firm or company which has placed a contract with ACWA Services Limited for the provision of Design Services and/or Goods and/or Installation Works.
Goods	means supply and delivery of the materials, articles, service, or equipment as described and in accordance with the requirements of the Order.
Order	shall mean the Purchase Order and all Terms and Conditions incorporated therein together with any subsequent variations thereto.

2. Authority

The Purchaser will not be liable for any Orders unless given or confirmed on the Official ACWA Services Ltd Purchase Order Form issued by an authorised official of the Company and the following conditions which are in addition to and without prejudice to the Purchaser's right at common law or by Statute as buyers, shall apply to all orders placed by the Purchaser unless otherwise agreed in writing by the Purchaser.

3. Price

- The price shall be a firm and fixed price.
- Unless otherwise agreed, the price of the Goods shall be inclusive of the cost of carriage, and packing and of any duties, taxes, royalties, tariffs or other impositions chargeable or levied on the Goods, and of any other sums whatsoever payable to any person in respect of the Goods.
- Any and all required samples, test reports, inspections, certifications, warranties, guarantees or the like, shall be provided by the Supplier at no additional cost.

4. Acceptance

The Supplier shall confirm in writing his acceptance of the Order within seven days of its date. Acceptance of this Order entails the acceptance of the conditions upon which it is placed which shall be in substitution of the Supplier's conditions of sales unless the contrary is expressly and specifically agreed in writing by the Purchaser.

5. Variations

Neither the Purchaser nor the Supplier shall be bound by any variation to the order except as agreed in writing by both parties and confirmed by the Purchaser's Amended Purchase Order Form. The Purchaser through its assigned Purchasing officials may direct in writing changes including additions to or deletions from the quantities originally ordered and in the specifications of the Goods. If any change causes an increase or decrease in the cost of, or time required for performance hereunder an equitable adjustment shall be made in the price and/or schedule.

6. Drawings and Specifications

All plans, drawings, specifications, and patterns relating to the Goods which are delivered by the Purchaser to the Supplier shall remain the property of the Purchaser and forthwith, upon completion, shall be returned to the Purchaser in good condition. No such plan, drawing specification or pattern shall be shown nor its contents disclosed to any other person, nor shall it be copied or used for any purpose other than for the completion of this Order.

7. Development work

The Supplier shall not sell to anyone other than the Purchaser, goods developed under the direction of or solely for the benefit of the Purchaser unless a separate marketing agreement has been formally concluded with the Purchaser.

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8. Materials provided by the Purchaser

The Supplier shall be fully responsible for any loss or damage to any free issue materials or to any Purchaser's materials or other property whilst in the Supplier's possession or for any purpose connected with the Order.

9. Special tools jigs of fixtures

Any tools, jigs or fixtures that are required for the execution of, and made especially for the Order will become the property of the Purchaser on completion of the Order, unless specially agreed otherwise by the Purchaser in writing.

10. Inspections

The whole of the Goods may be subject to inspection by the Purchaser and/or his client's inspectors during manufacture. Final tests as called for are to be conducted in the presence of these inspectors. On no account may any Goods be dispatched until after such final inspection has been made and the Purchaser's written acceptance received by the Supplier, or notice has been given in writing that the final inspection is waived. The Supplier is to advise the Purchaser at least seven days in advance when Goods will be ready for final inspection.

The Purchaser's inspection shall not relieve the Supplier from his guarantee or any obligation or any responsibility to furnish satisfactory Goods. The Purchaser shall be entitled to waive its inspection at any point of manufacture without prejudice to his right to reject unsuitable goods after arrival at destination.

11. Defects

All Goods shall be supplied defect free. The supplier shall promptly, at his expense with no compensation, repair or replace (as determined by the Purchaser) all portions of the Goods which are found to be defective or that fail to comply with the requirements for the period specified in the Order. Should the supplier fail to perform his obligations promptly or be in material breach of the Order, then the Purchaser may elect either to arrange for the undertaking of such obligation at the supplier's expense or to terminate the Order.

12. Expediting

The Goods furnished under this Order shall be subject to expediting by the Purchaser. An order acknowledgment is required for every Order placed, which clearly states the agreed price and lead time/delivery date. The Purchaser's representative shall be afforded free access during working hours to Supplier's premises and those of its sub-suppliers for expediting purposes. Suppliers shall supply schedules, progress reports and unpriced copies of the Supplier's Purchase Order as required by the Purchaser for the Purchaser's use in expediting. The Supplier will notify the Purchaser by phone and in writing of any actual or anticipated delays immediately upon their discovery. Such notices will include the estimated duration of the delays, the cause and the corrective actions being taken. Slippage of the Supplier's schedule may be deemed to be reasonable grounds for default in which event the Purchaser may demand in writing, through the Purchaser's expediting representative, that the Supplier provides adequate assurance that the Goods will be delivered on time (and where the Goods are a service, they will be completed on time).

13. Patents and Industrial Property

The Supplier warrants that the Goods, do not infringe any patent, registered design, copyright or trademark or other protected right(s) and undertakes to indemnify the Purchaser and/or the Client against all royalties and licence fees to the extent not specifically provided for and against all damages, loss and or expense suffered by the Purchaser in respect of any such breach in guarantee. If it should come to the knowledge of the Purchaser that a claim may arise under the guarantee, the Purchaser reserves the right to determine the Order forthwith with a written notice and without further liability.

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14. Assignment

This Order is placed with the Supplier on the basis that the Goods will be supplied by him and the Supplier shall not assign, transfer or dispose of any rights and/or obligations under or in connection with this Order to any third party raw materials, for minor details or for any part of this Order of which the Maker(s) is named in the Order) without the prior written consent of the Purchaser.

15. Force Majeure

If the Purchaser is prevented for any reason beyond his reasonable control from accepting the Goods (and in the case of services of work on site, allowing the carrying out of completion of such service of work) supplied or to be supplied under this Order, he shall be entitled to delay acceptance while such circumstances continue or to determine the Order.

If delivery or completion under this clause is delayed by more than 3 months in the case of work or service, the Supplier shall be entitled to determine the Order. Determination under this clause shall be without liability to either party, other than the rights and liabilities that have already occurred at the time of termination. If delivery or the undertaking of Goods, is suspended or delayed owing to Force Majeure Events beyond the control of the Supplier such as flood, fire, earthquake or explosion, war, invasion, hostilities (whether war is declared or not), terrorist acts or threats, riot or civil unrest, government order or law, actions, embargos or blockades in effect on or after the date of this Order, national or regional emergency, strikes, lock-outs, labour stoppages or slowdowns or other industrial disturbances, accident, pandemic, transport difficulties or delays due to other similar Force Majeure Events beyond the reasonable control of the Supplier and performance/completion of the Order within a reasonable time becomes impossible, the Purchaser shall be entitled to terminate the Order by giving notice in writing to the Supplier. Should the Client cancel his Order with the Purchaser due to a Force Majeure Event, the Purchaser also reserves the right to cancel his Order with the Supplier. The division of cost in respect of the Order up to the date of termination shall be determined by agreement between the Purchaser and the Supplier.

16. Termination for Breach or Bankruptcy, Liquidation

If the Supplier is in breach of any obligation under this contract or commits any act of bankruptcy or had a receiver appointed over his assets or made an arrangement with his creditors, or being a company goes into liquidation or has had a winding up order made against it or had an administration order made against it or had a receiver appointed over any part of its assets or made an arrangement with its creditors, then notwithstanding any previous waiver the Purchaser shall be entitled to terminate the Order by written notice but without prejudice to any then existing rights to either party.

17. Termination for Default

The Purchaser may terminate the whole or any part of the Order in any one of the following circumstances:

- 1) If the Supplier fails to make delivery or fails to perform within the time specified herein or any extension therefore the Order, or
- 2) If the Supplier fails to perform in accordance with the provisions of this Order, or so fails to make progress as to endanger performance of this Order in accordance with its terms. In the event of such failure the Purchaser will provide the Supplier with written notice of the nature of failure and the Purchaser's intention to terminate for default in the event the Supplier does not cure such failure within 10 days of such notice. The Purchaser will provide the Supplier with a written Notice of Default.

In the event the Purchaser terminates as provided herein, the Purchaser may procure upon such items and in such a manner as the Purchaser may deem appropriate, supplies or services similar to those so terminated and the Supplier shall be liable to the Purchaser for any excess cost for such supplies or services, provided, however, the Supplier shall continue the performance of this Order to the extent not terminated under the provisions of this clause.

In the event of the Supplier's default, Supplier agrees to mitigate damages by co-ordinating with the Purchaser in transferring information and disposing of work in process or Purchaser's materials as Purchaser may reasonably request. If after Notice of Default it is determined for any reason that the Supplier was not in default under the provision of the Clause, or that the

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default was excusable under the provisions of this agreement, the right and obligations of the parties shall be the same as if a Notice of Termination had been issued pursuant to the Termination for Convenience Clause.

18. Termination for Convenience

The performance of work under the Order may be terminated by the Purchaser in accordance with this clause in whole or from time to time or in part whenever the Purchaser shall select. Any such termination shall be effected by delivery to the Supplier of a Notice of Termination specifying the extent to which the performance of work under the Order is terminated, and the date upon such termination becomes effective. Upon receipt of any such notice, Supplier shall, unless the notice requires otherwise.

- 1) Immediately discontinue work on the date to the extent specified in the notice.
- 2) Place no further order for materials other than may be required for completion of such portion of work that is not terminated.
- 3) Promptly make any reasonable efforts to either obtain cancellation on terms satisfactory to the Purchaser of all Orders to sub-suppliers or assign those orders to the Purchaser, and
- 4) Assist the Purchaser upon request in the maintenance, protection and disposition acquired by the Purchaser under this Order.

If claimed in writing within 3 days after Notice of Termination, the Purchaser will pay the Supplier an equitable adjustment to include in:

- 1) All amounts due and not previously paid to the Supplier for Goods completed in accordance with the Order prior to such notice.
- 2) A reasonable amount for any Goods then in production, provided that no such adjustment be made in favour of the Supplier with respect to any Goods which are the Suppliers standard stock.
- 3) Cost of selling and paying claims arising out of cancelled orders, and
- 4) A reasonable profit for costs incurred in the performance of the work terminated. Provided, however, that if it appears that the Supplier would have sustained a loss on the entire work had it been completed, no profit shall be included.

The Total sum to be paid to the Supplier under this clause, exclusive of settled costs under (3) above, shall not exceed the total order price as reduced by the amount of payment otherwise made and is further reduced by the order price of work not terminated, and will not include any consideration for loss of anticipated profits on the terminated work all for which the Supplier agrees to waive.

19. Storage

If, for any reason the Purchaser is unable to accept delivery of the Goods at the time specified in the Order, the Supplier shall store the Goods and take all reasonable steps to maintain them in a merchandise condition. The Purchaser shall reimburse the Supplier for the reasonable costs of such storage incurred.

20. Preparation and Packing for Transit

All Goods shall be carefully and properly prepared, secured and packed in a manner suitable to provide adequate protection against damage in transit to destination. Any damage attributable to Supplier or his agent's packing shall be made good at the Supplier's expense and the Supplier shall be held responsible for any cost incurred in making good such damage. Hazardous Goods must not be packed with those items of a harmless nature.

21. Delivery

All Goods shall be delivered by the Supplier at the time and at the place and in the manner specified in the Order. The time stipulated for the delivery or completion is of the essence and may not be altered without the express written consent of the Purchaser. No part deliveries will be allowed unless approved by the Purchaser.

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22. Advice Note

The original Advice Note shall be sent by the Supplier to the Head Office address of the Purchaser on the same day as the Goods are dispatched.

23. Loss of Goods in Transit

The Supplier shall be responsible up to the point of handing over (as defined within the terms of the Order) for the immediate replacement of Goods lost in transit and negotiating all claims against any carrier he employs.

24. Title in Goods

Subject to the provisions of this Clause, title in Goods shall pass to the Purchaser on delivery of the Goods or upon such payment for the Goods whichever occurs earlier. Such passing of title shall not prejudice the Purchaser's right of rejection under Clause 24. The Goods shall remain at the Suppliers risk until delivery has actually taken place. The title for the Goods conveyed to the Purchaser or the Client shall be good and rightfully transferred and shall be delivered free of any security interest, lien, or other encumbrance.

25. Rejection

If the Order is not completed to the Purchaser's satisfaction or within the period stated on the Order or within 2 months of delivery or within 2 weeks of any Goods first being put into operation whichever is the longer, or it is found that the Goods do not conform to the specification or sample or if the quality or design of materials and/or workmanship is not to the Purchaser's reasonable satisfaction the Purchaser may without prejudice to any other right return the Goods to the Supplier at the Supplier's risk and expense and either determine the Order or require the Supplier to replace the Goods notwithstanding that the property may have been passed to the Purchaser or payment may have been made.

26. Payment

Unless otherwise agreed with the Supplier, payment for the Goods shall normally be 60 days from the receipt of the invoice by the Purchaser, a detailed statement reaches the Purchaser and that the invoice complies with the terms and conditions of the Order. Invoices must be sent to the Purchaser's accounts department via email to acwaaccounts@acwa.co.uk. Invoices should show clearly whether they cover "Part Order", "Balance Order", or "Whole Order". Notwithstanding payment, all provisions of this Order, such as but not limited to guarantee, shall survive such payment.

27. Guarantee

If within 12 months (or such other period as may be agreed) after delivery, the Purchaser gives written notice to the Supplier of any defect in the Goods arising under proper use, from faulty design (other than a design specified by the Purchaser for which the Supplier has disclaimed responsibility in writing) materials or workmanship, the Supplier at his own cost shall immediately and without prejudice to any other right of the Purchaser replace or repair the defective Goods. The replaced or repaired Goods shall then be guaranteed for a period of 12 months (or such other period as may be agreed) from the replacement or repair date.

28. Origin and Test Certificates

The Purchaser reserves the right to call for certificates of origin of raw materials and test certificates for materials and equipment at any stage of manufacture. Such certificates must clearly state Purchaser's Order Number.

The Purchaser also reserves the right to call for certificates of Inspection and/or Letter of Guarantee.

Any and all required samples, test reports, inspections, certifications, warranties, guarantees, or the like, shall be provided by the Supplier at no additional cost.

The supplier represents and warrants that for the materials to be supplied as per the purchase order:

- a) The title for the materials conveyed to the Purchaser shall be good and rightfully transferred
- b) The materials shall be delivered free of any security interest, lien, or other encumbrance

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- c) The materials shall be merchantable and be fit for the intended use
- d) The materials shall be free from defects in material and workmanship, and shall be in accordance with approved samples (if required)

29. Statutory Requirements

- a. It is a condition of the Order that the Goods supplied comply as to any statement in relation to them in all respects with the Trade Descriptions Acts 1966 and 1972 and regulations made thereunder.
- b. The Supplier is reminded that under Sections 3 and 4 of the Health and Safety at Work etc. Act 1974 he must ensure that his activities do not endanger anybody and that premises under his control do not endanger people using them. The Supplier will notify the Purchaser of any measures and/or precautions that need to be taken by Employees of the Purchaser to ensure their health and safety and will indemnify the Purchaser against any claim arising out of failure by the Supplier to discharge these obligations.

Suppliers are requested when delivering Goods to supply such operating instructions and such information about any risk to health and safety arising out of the use of their products as are required by Health and Safety at Work Act 1974.

30. Indemnity

The Supplier shall indemnify and save harmless the Purchaser, the Client and all persons acting for and on behalf of these parties, from all claims and liability of any nature or kind, including costs, legal fees, expenses arising from or occasioned by any breach of this Order, infringement or alleged infringement of patent rights or any invention, process article or apparatus or any part thereof or arising from or occasioned by the use thereof, including their use by the Client.

The Supplier shall be liable for all damages, costs and expenses, direct and indirect, including the Purchaser's legal fees resulting from any breach of this Order.

In the event of any breach of this Order by the Supplier, the Purchaser shall be entitled to retain out of the payments due or to become due to the Supplier under this Order or other Order with the Supplier an amount sufficient to protect the Purchaser completely from any and all loss, damage or expense therefore until the situation has been satisfactorily remedied or adjusted by the Supplier.

31. Non-Waiver

Failure by the Purchaser to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights or remedies provided herein or by Law or to properly notify the Supplier in event of breach, or the acceptance of or payment for any Goods hereunder or review of design, shall not release the Supplier from any of the guarantees or obligations of this Order and shall not be deemed or waiver of any right of the Purchaser to insist upon strict performance hereof or any of its rights or remedies as to any such Goods regardless when shipped, received, accepted or as to any prior or subsequent default thereunder, nor shall any termination of this Order by the Purchaser operate as a waiver of any of the terms hereof.

A requirement that a Supplier document is to be submitted to a subject to "Authorisation to Proceed", "Approval", "Acceptance", "Review", "Comment" or combination of such words or word of like impart shall mean unless the context clearly indicates otherwise that the Supplier shall, before implementing the information in the document, submit the document, obtain resolution of any comments and authorisation to proceed and shall not mean that a complete check will be performed. Authorisation to proceed shall not constitute acceptance or approval of design details, calculations, analysis, test methods or materials developed or selected by the Supplier and shall not relive the Supplier from full compliance with contractual obligation.

The invalidity of any provision of this Order shall not affect the validity of the remaining provisions.

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32. Secrecy Clause

- a. The Supplier will not use any information, design or drawings provided by the Purchaser otherwise than for the purpose for which they are provided and will keep secret and confidential all such drawings and designs and information and will not disclose the same other than to its directors, officers, employees engaged directly or indirectly in design, manufacture or construction of the particular equipment for the purpose of which the said information designs, and drawings were provided, and its Suppliers of components for that equipment.
- b. Suppliers shall take all responsible steps to ensure that its said directors, officers, employees and any such suppliers to whom it shall disclose any of the said information, designs or drawings of the Purchaser as herein before provided shall not disclose the same or any part thereof to any unauthorised persons and, in the case of such Suppliers of components that they shall not use the same except for the purpose of the particular equipment in connection with which the same where provided.
- c. The provisions of this Clause shall not apply to technical information already known to the Supplier with free rights of disposal or which becomes public knowledge otherwise than through the default of the Supplier.

33. Publicity and Advertising

The Supplier shall not without the written permission of the Purchaser divulge the destination or the description of the Goods to the Order.

However, the Purchaser in general welcomes publicity and advertising and will sympathetically consider such requests from Suppliers subject to any restrictions imposed by the Client or the nature of the work.

34. Modern Slavery, Bribery and Corruption

The Modern Slavery Act 2015 sets clear obligations on organisations to ensure that modern slavery (that is, slavery, servitude, forced and compulsory labour (including Child labour), and human trafficking) is not taking place.

ACWA has a zero-tolerance approach to modern slavery and are committed to acting with integrity in all of their dealings and relationships and to implement and enforce effective systems and controls to ensure modern slavery is not taking place.

All of ACWA's supply chain must adopt this zero-tolerance approach and hold their own suppliers to the same high standards.

The offering, paying, soliciting or accepting of bribes or kickbacks, including facilitation payments, is strictly prohibited.

A bribe may involve giving or offering any form of gift, consideration, reward or advantage to someone in business or government in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly or where it would be improper for the recipient to accept the benefit.

Bribery can also take place where the offer or giving of a bribe is made by or through a third party, e.g. an agent, representative or intermediary.

Some examples of bribes are as follows: This is not an exhaustive list:

- Lavish gifts, meals, entertainment or travel expenses, particularly where they are disproportionate, frequent or provided in the context of ongoing business negotiations;
- The uncompensated use of company services; facilities or property;
- Cash payments; loans, loan guarantees or other credit;
- The provision of a benefit, such as an educational scholarship or healthcare, to a member of the family of a potential customer, public or government official;
- Providing a subcontract to a person connected to someone involved in awarding the main contract, and
- Engaging a local company owned by a member of the family of a potential customer, public or government official.

Facilitation payments are small payments or fees requested by officials to speed up or facilitate the performance of routine government action (such as the provision of a visa or customs clearance). Such payments are strictly prohibited. Suppliers, representatives and their employees must comply with all applicable anti-bribery and corruption laws. If no such anti-bribery or corruption laws apply or are of a lesser standard to that prescribed in the UK Bribery Act 2010, suppliers, representatives and their employees must adhere to the UK Bribery Act 2010. Suppliers and representatives shall have in place anti-corruption

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and bribery procedures designed to prevent employees or persons associated with its business from committing offences of bribery or corruption. Suppliers and representatives will properly implement these procedures into their business and review them regularly to ensure that they are operating effectively.

35. Resolution of Disputes

This validity, interpretation of this Order shall be governed by the laws of England. All disputes arising between the Purchaser and the Supplier in connection with this Order shall first be referred to the senior management of the Parties (i.e. the Purchaser and the Supplier) for resolution, failing which the Parties may by agreement refer it to mediation in accordance with the procedures of the Centre for Dispute resolution (CEDR) or some other body. If the Parties fail to reach agreement within twenty-eight days of the commencement of the mediation procedures or if the Parties do not agree to refer the matter to mediation then it shall be referred for decision to a single arbitrator to be agreed between the Parties, or in the absence of such agreement, to be appointed by the President for the time being the Institution of Mechanical Engineers by the application of one or other party. Neither the Purchaser nor the Supplier shall be entitled to suspend performance of this Order merely by reference of a dispute to mediation or arbitration.

36. Liquidated Damages

Should the Supplier be delayed in the performance of this Order, the Supplier shall be liable to pay liquidated damages of 2% of the Order value or pro rata for each week of delay up to a maximum of 10% of the Order value. Liquidated damages would not apply should the cause of the delay be construed as a Force Majeure Event.

37. Insurance

The Supplier is to provide the following insurances:

Insurance against	Minimum amount of cover or minimum limit of indemnity
Liability for loss of or damage to property (except The Goods) and liability for bodily injury to or death of a person (not an employee of the Supplier) caused by activity in connection with this Order.	£5,000,000 for any one event
Liability for death of or bodily injury to employees of the Supplier arising out of and in the course of their employment in connection with this Order.	£5,000,000 for any one event

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