

## FORFARMERS GENERAL PURCHASE TERMS AND CONDITIONS

### 1. INTERPRETATION

1.1 Definitions. In these Purchase Terms and Conditions, the following definitions apply:

**Agreement:** the agreement concluded between ForFarmers and the Supplier regarding the supply of Goods and/or Services in accordance with these Purchase Terms and Conditions including Orders.

**Appendix 1:** the appendix to these terms and conditions which details specific terms of agreement between ForFarmers and the Supplier which are subject to these Purchase Terms and Conditions and the relevant Order(s).

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

**Commencement Date:** has the meaning given in clause 3.2.2.

**ForFarmers Materials:** has the meaning given in clause 8.4.

**Deliverables:** 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 without limitation drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports (including drafts).

**Delivery:** in the case of Goods, the actual delivery of the Goods to ForFarmers and in the case of the Services, the completion thereof.

**Delivery Location:** has the meaning given in clause 4.2.2.

**ForFarmers:** ForFarmers N.V., having its registered office in Lochem or any other member of its Group which contracts with the Supplier for the purchase of the Goods (as specified in the Agreement).

**Goods:** the goods (or any part of them) and Deliverables set out in the Agreement.

**Group:** ForFarmers and its holding company and/ or subsidiary companies from time to time.

**Intellectual Property Rights:** any and all intellectual and industrial property rights including, without limitation, copyrights and related rights, database rights, rights with regard to know-how, patent rights, trademark rights, rights to inventions, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, rights to use and protect the confidentiality of, confidential information as well as any and all other similar rights and entitlements, 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 with regard to any of the aforementioned rights.

**Order:** ForFarmers' purchase order for the supply of Goods and/or Services, as set out in ForFarmers' written purchase order form from ForFarmers.

**Products:** together the Goods and Services or individually as the context requires.

**Purchase Terms and Conditions:** these general purchase terms and conditions as amended from time to time in accordance with clause 25.6.

**Services:** the services, including without limitation any Deliverables, to be provided by the Supplier under the Agreement or in any service specification provided by ForFarmers to the Supplier.

**Supplier:** the person or firm from whom ForFarmers purchases the Products.

1.2 Construction. In these Purchase Terms and Conditions, the following rules apply:

1.2.1 a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);

1.2.2 a references to a party includes its successors or permitted assigns;

1.2.3 a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;

1.2.4 any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

1.2.5 a reference to writing or written includes faxes and e-mails.

### 2. APPLICABILITY

2.1.1 These Purchase Terms and Conditions apply to the Agreement 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.

2.1.2 All of these Purchase Terms and Conditions shall apply to the supply of Products which are Goods and Services except where the application to one or the other is specified.

### 3. BASIS OF AGREEMENT

3.1 An Order constitutes an offer by ForFarmers to purchase the stipulated Products from the Supplier in accordance with these Purchase Terms and Conditions. ForFarmers can revoke any offer as long as the Supplier has not accepted the offer in writing and has not returned it to ForFarmers.

3.2 Unless otherwise agreed upon, in an Agreement already concluded, the Agreement shall be deemed to be accepted on the earlier of:

3.2.1 the Supplier issuing written acceptance of the Agreement; or

3.2.2 any act by the Supplier consistent with fulfilling the Agreement with the written consent of ForFarmers, at which point and on which date the Agreement shall come into existence ("Commencement Date").

3.3 It is only possible to deviate from the terms set out in these Purchase Terms and Conditions by written agreement between ForFarmers and the Supplier.

3.4 In the case of any discrepancy between a provision set out in the Agreement and a provision contained in these Purchase Terms and Conditions then the provision contained in the Agreement shall prevail.

3.5 Any and all pre-contract statements, offers and prices provided by the Supplier to ForFarmers are irrevocable and are valid for at least 30 calendar days from the date ForFarmers receives the same, unless stipulated otherwise in writing. Any costs associated with the presentation of offers to ForFarmers are the sole cost and expense of the Supplier.

3.6 ForFarmers may at any time break off negotiations with the Supplier without stating reasons and without being liable for any sanction (including compensation or continued negotiations).

3.7 If the Agreement refers to other documents (including drawings, specifications, instructions and/or technical, safety, quality, inspection or other regulations) that were not attached to the Agreement then the Supplier is deemed to be familiar with the same, unless the Supplier forthwith, but in any case before the Agreement is entered into informs ForFarmers of the contrary in writing. If the occasion arises, ForFarmers shall then further inform the Supplier accordingly.

### 4. DELIVERY OF GOODS

4.1 Delivery of Goods will take place DDP (INCOTERMS 2010).

4.2 The Supplier shall deliver the Goods:

4.2.1 on the date specified in the Agreement or, if no such date is specified, then within 5 Business Days of the date of the Agreement;

4.2.2 to the location specified in the Agreement (the "Delivery Location");

4.2.3 during ForFarmers normal hours of business, on a Business Day, or as instructed by ForFarmers.

4.3 Time is of the essence for all stipulated delivery dates of Goods unless expressly stipulated otherwise in writing by ForFarmers.

4.4 The Supplier will notify ForFarmers in writing if compliance by the Supplier with a Goods delivery date is, or threatens to be, impossible.

4.5 The Supplier is only authorised to perform partial deliveries of Goods if this is agreed in advance by ForFarmers. ForFarmers is entitled to reject and return any partial deliveries that are not agreed to in advance by ForFarmers. Any such return will be at the Supplier's sole cost, expense and risk. Delivery before a stipulated delivery date is only permitted with the prior written consent of ForFarmers.

4.6 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 ForFarmers to the remedies set out in clause 13.

4.7 If ForFarmers is unable to take Delivery of the Goods at the stipulated time due to a Force Majeure Event then the Supplier shall at the request of ForFarmers postpone the Delivery of the Goods for a reasonable period of time, as determined by ForFarmers.

4.8 Delivery of the Goods shall be completed on the completion of unloading of the Goods at the Delivery Location.

4.9 The Supplier shall ensure that:

4.9.1 the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition;

4.9.2 each Delivery of the Goods is accompanied by a delivery note which shows the date of the Order (or, if no specific Order has been agreed upon, the date of the Agreement), the Order or Agreement number resp. (if any), 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; and

4.9.3 if the Supplier requires ForFarmers to return any packaging material for the Goods to the Supplier, that fact is clearly stated on the delivery note. Any such

packaging material shall only be returned to the Supplier at the cost of the Supplier.

4.10 If the Supplier:

4.10.1 delivers less than 95 per cent of the quantity of Goods ordered, ForFarmers may reject the Goods; or

4.10.2 delivers more than 105 per cent of the quantity of Goods ordered, ForFarmers may at its sole discretion reject the Goods or the excess Goods,

4.10.3 any rejected Goods shall be returnable at the Supplier's risk and expense.

## 5. SUPPLY OF GOODS

5.1 The Supplier shall ensure that the Goods shall:

5.1.1 correspond with their description and any applicable specification for the Goods;

5.1.2 be of satisfactory quality (within the meaning of the Sale of Goods Act 1979) and fit for any purpose held out by the Supplier or made known to the Supplier by the ForFarmers, expressly or by implication, and in this respect the ForFarmers relies on the Supplier's skill and judgment;

5.1.3 comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods; and

5.1.4 comply with the warranty set out in clause 12.

5.2 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 Agreement in respect of the Goods.

## 6. SUPPLY OF SERVICES

6.1 The Supplier shall provide the Services to ForFarmers in accordance with the terms of the Agreement.

6.2 The Supplier shall meet any performance dates for the Services specified in the Agreement or notified to the Supplier by ForFarmers.

6.3 Time of Delivery for the Services is of the essence unless expressly stipulated otherwise in writing by ForFarmers.

6.4 In providing the Services, the Supplier shall:

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

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

6.4.3 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 Agreement;

6.4.4 ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the Agreement, and that the Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by ForFarmers;

6.4.5 provide all equipment, tools and vehicles and such other items as are required to provide the Services;

6.4.6 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 ForFarmers, will be free from defects in workmanship, installation and design;

6.4.7 obtain and at all times maintain all necessary licences and consents, and comply with all applicable laws and regulations;

6.4.8 observe all health and safety rules and regulations and any other security requirements that apply at any of ForFarmers premises or any premises where the Services are being provided;

6.4.9 hold all ForFarmers Materials in safe custody at its own risk, maintain the ForFarmers Materials in good condition until returned to ForFarmers, and not dispose or use the ForFarmers Materials other than in accordance with ForFarmers' written instructions or authorisation;

6.4.10 not do or omit to do anything which may cause ForFarmers to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that ForFarmers may rely or act on the Services.

6.4.11 if and insofar as the work is performed at ForFarmers location, carry out such work shall be done during the normal work hours at that location, unless

parties have agreed otherwise in writing. Supplier is obliged, insofar as permitted by law, to carry out the work outside of those working hours if ForFarmers so requests. Travelling and waiting times do not constitute worked time and can only be charged to ForFarmers if that has been expressly agreed in writing between ForFarmers and Supplier.

6.4.12 arrange at its own expense and in good time the permits, exemptions, approvals and decisions needed for the performance of the work and/or the employment of personnel.

## 7. LABELLING, PACKAGING AND TRANSPORT OF PRODUCTS

7.1 Special conditions may be required by ForFarmers in respect of the labelling, packaging, transport and/or safety of the Goods, provided these are set out in the Agreement or communicated to the Supplier in a timely manner, prior to the delivery date, the Supplier agrees to comply with these conditions. ForFarmers is entitled to return the Goods to the Supplier at the Supplier's cost, expense and risk if any specified special conditions are not met.

## 8. TRANSFER OF TITLE AND RISK OF PRODUCTS

8.1 Title to the Products shall pass to ForFarmers upon Delivery at the Delivery Location.

8.2 Subject to clause 8.3, risk in the Products shall pass to ForFarmers on Delivery.

8.3 If installation or assembly by the Supplier is required then the risk in the Products remains vested in the Supplier until the installed / assembled Products are accepted by ForFarmers in conformity with the stipulated acceptance procedure or, if an acceptance test was not agreed on, until the Products are commissioned by, or on behalf of, ForFarmers.

8.4 If ForFarmers supplies goods to the Supplier for the performance of the Agreement including, but not limited to, raw materials, semi-finished products, materials and components, models, specifications, drawings, software and information carriers (the "ForFarmers Materials"), then these goods remain the property of ForFarmers. The Supplier will keep these goods, clearly marked as the property of ForFarmers, in its possession as bailee and in a good state at its own expense, and will bear the risk, including the risk of loss or impairment / destruction of these goods. The Supplier is held to, at its own expense, provide insurance of these goods during the period that it keeps these goods as bailee. The Supplier shall only use these goods for the benefit of performing its obligations under the Agreement. The Supplier shall forthwith return these goods to ForFarmers after the Agreement has been performed or has come to an end or on demand by ForFarmers.

8.5 If the Supplier forms a new Good with the ForFarmers Materials then these Goods are formed for ForFarmers and the Supplier keeps these in its possession for ForFarmers as the owner.

8.6 Transfer of risk in the Products to ForFarmers does not affect any rights that ForFarmers has vis-à-vis the Supplier on account of the delivered Products.

## 9. DOCUMENTATION, PARTS AND TOOLS

9.1 All drawings, manuals, computer programs, parts, tools and user rights needed for the maintenance, repair, usage and/or onward delivery of the Goods shall be jointly delivered to ForFarmers and, if made specifically in connection with the Agreement placed by ForFarmers, transferred in ownership to ForFarmers in accordance with the provisions of article 15 of these conditions.

## 10. FORFARMERS OBLIGATIONS

10.1 ForFarmers shall:

10.1.1 provide the Supplier with reasonable access at reasonable times to ForFarmers' premises for the purpose of providing the Services;

10.1.2 provide such information as the Supplier may reasonably request for the provision of the Services and ForFarmers considers reasonably necessary for the purpose of providing the Services.

## 11. PRICES

11.1 The price for the Goods:

11.1.1 shall be the price set out in the Agreement, or if no price is quoted, the price set out in any offer received by ForFarmers or failing that, as set out in the Supplier's published price list in force at the date of the Agreement; and

11.1.2 shall be inclusive of the costs of packaging, insurance and carriage of the Goods, unless otherwise agreed in writing by ForFarmers. No extra charges shall be effective unless agreed in writing and signed by ForFarmers.

11.2 The charges for the Services shall be set out in the Agreement, 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 ForFarmers, the charges

shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.

11.3 Extra work and reductions shall only be accepted by ForFarmers if this is, prior to the implementation thereof, agreed upon in writing with a person relevantly authorised by ForFarmers.

11.4 Subject to clause 11.5, the Supplier shall invoice ForFarmers on or at any time after Delivery and each invoice shall include such supporting information required by ForFarmers, as set out in clause 11.6 to verify the accuracy of the invoice.

11.5 If it was stipulated that ForFarmers must approve the Products and/or the installation of them then the Supplier is only authorised to send an invoice after receipt of the said approval has been provided by ForFarmers.

11.6 Each submitted invoice must be itemised and must in any case include: (i) ForFarmers' Order number (or, if no specific Order has been agreed upon, the number of the Agreement); (ii) the quantity of the delivered Goods and/or the itemisation of the performed activities / supplied Services; (iii) the stipulated price, hourly rates and the total payable amount; (iv) stipulated discounts; (v) the Delivery Location of the Goods or the location where the Service activities were performed / the Services were supplied; and (vi) the invoice address as included in the Agreement. In addition an invoice must specify any additional requirements included in the Agreement. If the invoice does not comply with these requirements then ForFarmers shall be entitled to withhold payment, without being in breach of the Agreement, until a new invoice has been sent that does comply with these requirements. ForFarmers shall inform the Supplier within 30 days after receipt of an invoice if it has not complied with these requirements.

11.7 In consideration of the supply of Goods and/or Services by the Supplier, ForFarmers shall pay the invoiced amounts within 60 days of the date of a correctly rendered invoice to a bank account nominated in writing by the Supplier.

11.8 All amounts payable by ForFarmers under the Agreement are exclusive of amounts in respect of valued added tax chargeable from time to time ("VAT"). Where any taxable supply for VAT purposes is made under the Agreement by the Supplier to ForFarmers, ForFarmers 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 on the supply of the Goods and/or Services at the same time as payment is due for the supply of the Goods and/or Services.

11.9 In the case of late payment by ForFarmers, the Supplier must give ForFarmers written notice of default following which ForFarmers shall be granted 15 further Business Days to make payment without being in default of the Agreement.

11.10 Subject always to clause 11.9, if a party fails to make any payment due to the other party under the Agreement by the due date for payment, then the defaulting party shall pay interest on the overdue amount at the rate of 2% per annum above Barclays Bank plc's base rate from time to time. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The defaulting party shall pay the interest together with the overdue amount. This clause shall not apply to payments that the defaulting party disputes in good faith.

11.11 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 ForFarmers to inspect such records at all reasonable times on request.

11.12 ForFarmers may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to ForFarmers against any liability of ForFarmers or a member of its Group, to the Supplier, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under the Agreement.

11.13 The price payable shall be in Sterling unless otherwise agreed.

11.14 Payment by ForFarmers does not imply acceptance that the Products comply with the Agreement.

11.15 The Supplier is never authorised to suspend its obligations under the Agreement by virtue of non payment by ForFarmers.

## **12. OBLIGATIONS OF THE SUPPLIER**

12.1 The Supplier shall ascertain the use of the Products, failing which the Supplier is deemed to be familiar with (a) the objective for which the Products are meant, and (b) the circumstances under which the Delivery must take place.

12.2 The Supplier warrants that the Goods:

12.2.1 are complete and suitable for the objective for which they are meant and will be used;

12.2.2 include the features that were promised by the Supplier or that could be expected;

12.2.3 are fully in accordance with the written conditions as laid down in the Agreement, specifications, drawings, calculations and/or other documents supplied or stipulated by ForFarmers;

12.2.4 are of good quality and free from errors and defects in design, processing, workmanship and/or materials and that new materials and competent staff are used during the delivery of the performance of the Agreement;

12.2.5 comply with the relevant regulations of the European Union and the United Kingdom regardless of the fact whether the Goods are used in or outside the European Union or the United Kingdom and with all locally applicable statutory requirements and official regulations applying in the country where the Goods are being used, and that the use of the Goods in conformity with the Agreement is not in breach of any such applicable legislation and regulations; and

12.2.6 supply all relevant certificates, declarations, attestations, assembly instructions, operating instructions, specifications, drawings, tax data, and other documents, all in the stipulated language, failing which the documents shall be available in English.

12.3 The Supplier warrants that all applicable legislation and regulations shall be observed during the term of the Agreement and in its supply of the Products.

12.4 Where the Supplier is supplying Services to ForFarmers, then the Supplier must keep ForFarmers informed of its activities in its performance of the Agreement. The Supplier will not replace staff involved in the supply of the Services without the prior written consent of ForFarmers. ForFarmers reserves the right to require the free replacement of staff if ForFarmers has well-founded reasons for requesting this.

12.5 The Supplier warrants that the Products do not infringe rights of third parties (including Intellectual Property Rights and rights with regard to know-how) and shall indemnify and hold ForFarmers harmless in full against and compensate ForFarmers in full for claims of third parties that are directly or indirectly based on an (alleged) infringement of the said rights, regardless whether or not such Intellectual Property Rights are transferred to ForFarmers to clause 15.

12.6 The Supplier warrants that parts for the Goods and the maintenance required to keep the Goods in a good state of repair during the, within reason, the expected lifespan of the Goods can be purchased from the Supplier by ForFarmers. If the Agreement does not include rates with regard to the delivery of parts and the performance of maintenance then the Supplier will deliver these performances at the prices as applicable at the time of the Commencement Date or, if the said costs are, market-wide, lower at a certain time, the then applicable prices on market terms.

## **13. WARRANTY PERIOD / REPAIR OF DEFECTS / REMEDIES**

13.1 If no warranty period is set out in the Agreement or agreed between the parties then a warranty period of 24 months applies, taking effect after Delivery, or, if ForFarmers and the Supplier agree on an acceptance test, 24 months after acceptance of the Goods by ForFarmers in conformity with the stipulated acceptance procedure.

13.2 Defects that are discovered by ForFarmers within the applicable warranty period must be handled by the Supplier in accordance with the provisions set forth in this clause.

13.3 The Supplier is held to forthwith remedy a defect of a Good discovered by ForFarmers within the warranty period without interruption of the business operations of ForFarmers through repair or replacement as soon as ForFarmers have informed the Supplier accordingly. If so required, the Supplier shall offer temporary solutions in order to avoid an interruption of the business operations of ForFarmers caused by the defective Goods.

13.4 In case of repair or replacement during the warranty period the warranty period for the repaired or replaced Goods and for any and all Goods that could not be used as a result of the defect shall again take effect as from the moment of commissioning after repair or replacement.

13.5 The Supplier is held to bear any and all costs that must be incurred to remedy the defects pursuant to the warranty or on account of non-conformity, including but not limited to material costs, transport costs, travel and subsistence expenses, assembly and disassembly costs, costs of the return and recycling, and other labour costs.

13.6 If the Supplier is, in pursuance of clause 13.3, held to proceed with repair or replacement and does not comply properly with the relevant obligation within a reasonable time limit, or immediately in urgent instances, and if the Supplier is otherwise in default then ForFarmers is entitled to perform or have third parties perform the necessary activities at the expense and risk of the Supplier and ForFarmers shall forthwith inform the Supplier accordingly.

13.7 This clause does not affect the liability of the Supplier by law and under any other provisions set forth in the Agreement. After expiry of the warranty included in this clause the rights of ForFarmers, including those regarding defects, non-conformity, and breach of contract, remain unaffected.

13.8 If the Supplier fails to deliver the Goods and/or perform the Services by the applicable date, the ForFarmers shall, without limiting its other rights or remedies, have one or more of the following rights:

- a) to give the Supplier not less than 5 days prior written notice to comply, following which ForFarmers may terminate the Agreement with immediate effect by giving written notice to the Supplier;
- b) to refuse to accept any subsequent performance of the Services and/or delivery of the Goods which the Supplier attempts to make;
- c) to recover from the Supplier any costs incurred by ForFarmers in obtaining substitute Products from a third party;
- d) where ForFarmers has paid in advance for Products, to have such sums refunded by the Supplier; and
- e) to claim damages for any additional costs, loss or expenses incurred by ForFarmers which are in any way attributable to the Supplier's failure to meet such dates.

13.9 If the Goods are not delivered by the applicable date, or if installation takes place installation is not successfully completed on the installation date (save where such non-delivery is as a result of the default of ForFarmers), ForFarmers may, at its option, claim or deduct 1% of the price of the Goods for the first Business Day after the due date on which delivery or successful installation respectively fails to occur, increasing by 1% for each subsequent Business Day of non-delivery or successful installation respectively up to a maximum of 5%.

13.10 If the Supplier has delivered Goods that do not comply with the undertakings set out in clause 5, then, without limiting its other rights or remedies, ForFarmers shall have one or more of the following rights, whether or not it has accepted the Goods:

- a) to reject the Goods (in whole or in part) whether or not title has passed and to return them to the Supplier at the Supplier's own risk and expense;
- b) to terminate the Agreement with immediate effect by giving written notice to the Supplier;
- c) to require the Supplier to repair or replace the rejected Goods, or to provide a full refund of the price of the rejected Goods (if paid);
- d) to refuse to accept any subsequent delivery of the Goods which the Supplier attempts to make;
- e) to recover from the Supplier any expenditure incurred by ForFarmers in obtaining substitute goods from a third party; and
- f) to claim damages for any additional costs, loss or expenses incurred by ForFarmers arising from the Supplier's failure to supply Goods in accordance with clause 5.

13.11 These Conditions shall extend to any substituted or remedial Services and/or repaired or replacement Goods supplied by the Supplier.

13.12 ForFarmers rights under the Agreement are in addition to its rights and remedies implied by statute and common law.

#### **14. TEST / INSPECTION**

14.1 ForFarmers is not obliged to examine the delivered / installed Goods upon Delivery. A time limit for lodging complaints only takes effect for ForFarmers after discovery of a defect, breach of contract or non-conformity and a complaint lodged within three (3) months after this kind of discovery is, in any case, deemed to have been lodged in a timely fashion.

14.2 During normal working hours and after reasonable notification to the Supplier, ForFarmers is entitled to inspect / test the Goods to be delivered, both before the Delivery and after Delivery, in the course of which the Supplier agrees to cooperate in full free of charge. On demand of ForFarmers the Supplier shall grant ForFarmers, or third parties designated by ForFarmers, access to the relevant location(s). The test / inspection of the Goods by or on behalf of ForFarmers does not imply recognition that the Goods comply fully with the warranties given in the Agreement and does not affect the rights of ForFarmers regarding defects, non-conformity and breach of contract.

14.3 If the test / inspection is delayed through no fault of ForFarmers or if ForFarmers rejects the Goods during the test / inspection then any and all additional costs and any and all costs of subsequent tests / inspections (including costs of staff and representatives of ForFarmers) are at the expense of the Supplier. Rejection by ForFarmers does not result in the postponement of any delivery dates.

#### **15. INTELLECTUAL PROPERTY RIGHTS**

15.1 Any and all Intellectual Property Rights in respect of materials (including drawings, specifications, handbooks, documentation, samples, and software) made available to the Supplier by ForFarmers are fully vested in ForFarmers or its suppliers and are not transferred to the Supplier.

15.2 Unless the Agreement determines otherwise, any and all Intellectual Property Rights in respect of Products that were not specifically developed or manufactured for ForFarmers by the Supplier are vested in the Supplier and are not transferred to ForFarmers. The Supplier grants ForFarmers and its Group a non-exclusive, perpetual, and worldwide licence to use the Intellectual Property Rights in respect of such Products.

15.3 The Supplier transfers any and all Intellectual Property Rights in respect of Products that were specifically developed or manufactured by the Supplier for

ForFarmers to ForFarmers at the moment that the said Products were developed and/or manufactured. ForFarmers is not liable to pay an additional fee for this and can freely dispose of the same. The Supplier shall lend its cooperation in the preparation of any required deeds of transfer (inter alia with regard to the Intellectual Property Rights).

15.4 In respect of all Products that are transferred to ForFarmers as part of the Agreement, the Supplier warrants that it has full clear and unencumbered title to all such items, and that at the date of delivery of such items to ForFarmers, it will have full and unrestricted rights to sell and transfer all such items to ForFarmers.

15.5 The Supplier assigns to ForFarmers, with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Services, including for the avoidance of doubt the Deliverables.

15.6 The Supplier shall obtain waivers of all moral rights in the Products, including for the avoidance of doubt the Deliverables, of the Services to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.

15.7 The Supplier shall, promptly at ForFarmers request, do (or procure to be done) all such further acts and things and the execution of all such other documents as ForFarmers may from time to time require for the purpose of securing for ForFarmers the full benefit of the Agreement, including all right, title and interest in and to the Intellectual Property Rights assigned to ForFarmers in accordance with clause 15.5.

15.8 All ForFarmers Materials are the exclusive property of ForFarmers.

#### **16. CONFIDENTIALITY**

16.1 The Supplier is held to observe confidentiality with regard to third parties in respect of (a) any and all materials made available to the Supplier by ForFarmers, and (b) any and all other data / information / goods / rights regarding ForFarmers or its customers or other business relations supplied or otherwise made available to the same, and shall only use the same in its performance of the Agreement and shall not make copies of the same without prior written consent of ForFarmers. The Supplier shall also stipulate these obligations in writing with any and all subordinates and non-subordinates who take note of the same and the Supplier guarantees that the latter shall comply with these obligations. If an Agreement is not concluded or comes to an end then the Supplier shall forthwith and at its own expense return everything that it received from ForFarmers to ForFarmers without retaining any copies thereof.

16.2 This clause 16 shall survive termination of the Agreement.

#### **17. PRIVACY**

17.1 The terms personal data, process / processing, controller and processor as included in this clause have the meaning as defined in the Data Protection Act 2018 that implements the General Data Protection Regulation (EU) 2016/679 ("GDPR"). This clause is only applicable if the Supplier processes personal data of ForFarmers.

17.2 The Supplier guarantees that it shall keep any and all personal data that ForFarmers and/or its Group provide to the Supplier or to which the Supplier gains access within the framework of the Agreement secret, shall not supply the same to third parties, and shall exclusively use and process the same in the European Union and/or the United Kingdom and only to the extent that this is required for the performance of the Agreement.

17.3 The Supplier guarantees that it complies with any and all applicable legislation and regulations with regard to the personal data, including the Data Protection Act 2018 and GDPR. The Supplier and everybody who acts under the authority of the same shall only process personal data that ForFarmers and/or its Group make available or to which the Supplier gains access within the framework of the Agreement under the authority and for the benefit of ForFarmers and/or its Group who qualify as controller(s) / data processor(s) and in accordance with their instructions, barring different statutory obligations. The Supplier shall not process this personal data for personal purposes and is a processor / data processor.

17.4 The Supplier guarantees that at all times it took and shall take all appropriate technical and organisational measures to protect the personal data against unauthorised access, loss, and any form of unlawful processing. These measures must, taking the state of the art into account, guarantee an appropriate security level having regard to the risks that the processing and the nature of the personal data bring about. The measures must also be aimed at avoiding unnecessary collection and further processing of personal data. Upon demand of ForFarmers and/or a member of its Group the Supplier shall take additional measures.

17.5 The Supplier shall conduct periodic security audits and shall annually provide ForFarmers with a summary of the outcome of these audits that at least includes an overview of the risks as well as the measures to limit and remedy these.

17.6 The Supplier shall immediately inform ForFarmers of: (a) a security incident or a violation of one of the obligations included in this clause, (b) a complaint or request (e.g. regarding inspection, correction, supplementation, deletion, transfer or protection of personal data) of an individual whose personal data are

processed, and (c) a request or order of or an investigation by a supervisory authority or other competent authority, to the extent that this is permitted pursuant to applicable legislation and regulations.

17.7 The Supplier indemnifies ForFarmers and/or its Group against any and all claims of third parties (including individuals and authorities) that are filed against ForFarmers and/or its Group in pursuance of the Data Protection Act 2018 and/or GDPR or other applicable legislation and regulations to the extent that they derive from non-compliance with its obligations as processor.

## 18. AUDIT

18.1 The Supplier gives ForFarmers the opportunity to periodically audit or have audited its compliance with the contractual obligations pursuant to the Agreement and applicable legislation and regulations audited by an (external) auditor. To this end the Supplier shall make, inter alia, the necessary areas and data accessible and available. Should this kind of audit discover that the Supplier did not comply or complied improperly with the contractual and/or applicable statutory provisions then the costs of the audit will be the sole cost and expense of the Supplier. Without prejudice to the other rights of ForFarmers, the Supplier shall also remedy the observed shortcomings immediately after notification of these shortcomings.

## 19. TERM, TERMINATION AND SECURITY

19.1 The parties have agreed the term of this agreement as recorded in Appendix 1 hereof.

19.2 If the Agreement does not come to an end following completion of delivery of the Goods and/or Services and if a term has not been determined in the Agreement (Appendix 1) then the term of the Agreement shall be 1 year from the Commencement Date. Unless the Agreement determines otherwise, the Agreement will come to an end by operation of law after the expiry of the term.

19.3 If after the Agreement should have terminated the parties nonetheless continue transacting in accordance with the terms of the Agreement then ForFarmers is entitled to terminate the Agreement in writing at any time in consideration of a notice period of 1 month and the Supplier is entitled to terminate the Agreement in writing at any time in consideration of a notice period of 3 months.

19.4 If the Agreement was concluded for an open term then both parties are entitled to terminate the Agreement at any time in consideration of a written notice period of 2 months (if the Agreement at the time that the notice is given has effectively been in place for one (1) year or shorter) or 3 months (if the Agreement at the time that notice is given has effectively been in place for more than one (1) year).

19.5 The Supplier is never entitled to terminate the Agreement early, other than in accordance with an Agreement and/or Purchase Terms and Conditions. Unless stipulated otherwise and if the Agreement has a term of more than 2 years then after the first year ForFarmers is entitled to terminate the Agreement at any time in consideration of a notice period of 4 months.

19.6 Each party is entitled to dissolve the Agreement in writing, either in whole or in part, if the other party fails to comply with its obligations by virtue of the Agreement and is therefore in default. ForFarmers shall never be in default before the Supplier has given ForFarmers notice of default in which ForFarmers is granted a reasonable time limit of at least 15 days to yet comply with its obligations.

19.7 Without limiting its other rights or remedies, ForFarmers may rescind the Agreement with immediate effect by giving written notice to the Supplier if:

19.7.1 the Supplier repeatedly breaches any of the terms of the Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Agreement;

19.7.2 the Supplier suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply;

19.7.3 the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;

19.7.4 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the Supplier with one or more other companies or the solvent reconstruction of the Supplier;

19.7.5 the Supplier (being an individual) is the subject of a bankruptcy petition or order;

19.7.6 a creditor or encumbrancer of the Supplier attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;

19.7.7 an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Supplier (being a company);

19.7.8 the holder of a floating charge over the assets of the Supplier (being a company) has become entitled to appoint or has appointed an administrative receiver;

19.7.9 a person becomes entitled to appoint a receiver over the assets of the Supplier or a receiver is appointed over the assets of the Supplier;

19.7.10 any event occurs, or proceeding is taken, with respect to the Supplier in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 19.6.2 to clause 19.6.9 (inclusive);

19.7.11 the Supplier suspends or ceases, or threatens to suspend, or cease, to carry on all or a substantial part of its business; or

19.7.12 the Supplier (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.

19.8 If there is, at the discretion of ForFarmers, well-founded fear that the Supplier shall comply improperly or late with its obligations vis-à-vis ForFarmers under the terms of the Agreement then the Supplier is obliged to, on demand of ForFarmers, immediately provide sufficient security in the form desired by ForFarmers for full compliance with its obligations and ForFarmers is entitled to suspend its obligations under the Agreement. Any and all claims that ForFarmers may have or acquire vis-à-vis the Supplier shall in those instances immediately fall due in full.

19.9 Any and all potential extrajudicial costs, expressly including, but not limited to, the despatch of reminders, the submission of (settlement) proposals, and other preparatory acts, and the judicial costs that ForFarmers incurs as a result of non-compliance by the Supplier are at the cost and expense of the Supplier.

19.10 If the Agreement comes to an end, for any reason whatsoever, the Supplier shall immediately discontinue the use of the ForFarmers Materials supplied to the Supplier by ForFarmers and return the same to ForFarmers or, if so requested by ForFarmers in writing, destroy the same. The Supplier is moreover held to fully cooperate, as required, in the transfer of the Products to ForFarmers or a subsequent supplier. In this respect the Supplier shall in any case but not exclusively transfer any and all necessary documentation and any and all required know-how (not being business secrets of the Supplier). The Supplier is not entitled to charge a fee for the assistance to be given unless the Agreement comes to an end due to a failure of the Supplier to comply with the same. If the Supplier fails to do so, then ForFarmers 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 Agreement.

19.11 Termination of the Agreement, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.

19.12 Clauses which expressly or by implication survive termination of the Agreement shall continue in full force and effect.

## 20. INSURANCE

20.1 During the term of the Agreement and for a period of 3 years thereafter, the Supplier shall take out and maintain adequate insurance including, without limitation, professional indemnity insurance, product liability insurance and public liability insurance, with a reputable insurance company to cover the liabilities that may arise under or in connection with the Agreement. On demand the Supplier shall produce the policies to ForFarmers evidencing the existence of the said insurance(s) and the insured amounts. If so requested the Supplier shall submit proof of contribution payment to ForFarmers and communicate previous claims under the policies in the current insurance year.

20.2 On demand of ForFarmers the Supplier commits to – immediately after having been held liable by ForFarmers for loss incurred by ForFarmers under the indemnity contained in clause 21 or otherwise under this Agreement, to transfer any and all claims regarding payment(s) of insurance benefits to ForFarmers. The Supplier commits to inform the aforementioned insurer of the said transfer, without prejudice to the authority of ForFarmers to inform the insurer accordingly. Insurance benefits that are paid directly to ForFarmers by the insurance company (companies) are deducted from the compensation payable to ForFarmers by the Supplier in connection with the insured event.

## 21. INDEMNITY

21.1 The Supplier shall indemnify and keep ForFarmers harmless 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 reasonable professional costs and expenses) suffered incurred by ForFarmers as a result of or in connection with:

21.2 any claim made against ForFarmers 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 Products, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;

21.3 any claim made against ForFarmers by a third party for death, personal injury or damage to property arising out of, or in connection with, defects or failures in Goods and/or Services, to the extent that the defects or failures in the Goods and/or Services are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and

21.4 any claim made against ForFarmers by a third party arising out of or in connection with the supply of the Products, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Agreement by the Supplier, its employees, agents or subcontractors.

21.5 This clause 20 shall survive termination of the Agreement.

## **22. FORCE MAJEURE**

22.1 Neither party shall be in breach of the Agreement nor liable for delay in performing, or failure to perform, any of its obligations under it if such a delay or failure result from an event, circumstances or cause beyond its reasonable control ("Force Majeure Event").

22.2 The Supplier will notify ForFarmers immediately upon becoming subject to a Force Majeure Event.

22.3 The Supplier shall use all reasonable endeavours to mitigate the effect of a Force Majeure Event on the performance of its obligations.

22.4 If a Force Majeure Event prevents, hinders or delays the Supplier's performance of its obligations for a continuous period of more than 14 days, ForFarmers may terminate the Agreement immediately, without liability, by giving written notice to the Supplier.

## **23. TRANSFER, SUBCONTRACTING AND PLEDGING**

23.1 Without prior written consent of ForFarmers the Supplier is not allowed to transfer the Agreement or the obligations deriving from the same to a third party. Without prior written consent of the contact person included in the Agreement the Supplier is neither authorised to transfer any rights that derive from the Agreement to a third party or to encumber the same.

23.2 Without the prior written consent of ForFarmers the Supplier cannot fully or partly outsource the implementation of the Agreement to a third party (subcontractor). ForFarmers is entitled to withdraw its consent without stating reasons or to impose further conditions on the said consent if granted.

23.3 If ForFarmers gives the aforementioned consent then the Supplier remains fully responsible and liable for compliance with the obligations performed by any subcontractors. The Supplier is held to stipulate similar provisions as included in these Purchase Terms and Conditions and the Agreement with subcontractors in writing. The Supplier is at least held to stipulate similar provisions regarding confidentiality, Intellectual Property Rights and the Supplier must prohibit subcontractors from further outsourcing the obligations to third parties.

## **24. NATIONAL INSURANCE CONTRIBUTIONS**

24.1 The Supplier provides for correct declaration and contribution of potentially payable taxes and contributions and indemnifies ForFarmers against and compensates ForFarmers for any and all claims of the tax and/or national insurance authorities regarding taxes, national insurance contributions (both the employer's part and the employee's part), and imposed penalties and interest in connection with or deriving from the standpoint of the aforementioned authorities that one or more members of staff of the Supplier made available by the Supplier is, for tax and/or national insurance purposes, employed by ForFarmers.

24.2 If so requested the Supplier shall submit a declaration of the tax and/or national insurance authorities that cannot be older than three months to ForFarmers. If the Supplier does not submit this kind of declaration or if ForFarmers has well-founded reason to doubt that the Supplier pays the payable taxes and national insurance contributions in a timely and complete manner then ForFarmers is entitled to suspend payments to the Supplier until it was determined if and for what amount ForFarmers is liable in connection therewith vis-à-vis the tax and/or national insurance authorities. To the extent that ForFarmers should be held to deduct and contribute income tax and/or national insurance contributions ForFarmers shall be entitled to deduct the said income tax and/or national insurance contributions from the fees payable to the Supplier by ForFarmers.

## **25. GENERAL**

### **25.1 Notices**

25.1.1 Any notice or other communication given to a party under or in connection with the Agreement 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, fax or e-mail.

25.1.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 25.1.1; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, one Business Day after transmission.

25.1.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

25.2 Severance. If any provision or part-provision of the Agreement 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 Agreement.

25.3 Waiver. A waiver of any right or remedy under the Agreement or law is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Agreement 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.

25.4 No partnership or agency. Nothing in the Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, nor constitute either party the agent of the other for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

25.5 Third parties. Save for other members of the ForFarmers Group on whom the Agreement confers a benefit, a person who is not a party to the Agreement shall not have any rights to enforce its terms.

25.6 Variation. Except as set out in these Purchase Terms and Conditions, no variation of the Agreement, including the introduction of any additional terms and conditions, or any changes to an Agreement shall be effective unless it is agreed in writing and signed by a duly authorised representative of ForFarmers.

25.7 Governing law. The Agreement, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the law of England.

25.8 Jurisdiction. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

## Appendix 1

### Agreed Terms of Procurement

<b>Supplier</b>	
<b>Group company (ForFarmers UK Ltd?)</b>	
<b>Term of Agreement</b>	<b>[1-10 year(s); delivery only; delivery and instalment; open term]</b>
<b>Details of Goods to be supplied</b>	
<b>Place of Delivery</b>	
<b>Delivery date[s]</b>	
<b>Details of Service to be provided</b>	
<b>Location of Service delivery</b>	
<b>Service Level Agreement</b>	<b><i>[add details of agreed service levels including timetable for installation; maintenance]</i></b>
<b>Price</b>	<b>£xx</b> <b>Payable in instalments as follows:</b> <b>Milestone 1:</b> <b>Milestone 2:</b> <b>Milestone 3:</b>