

CONDITIONS OF PURCHASE

Date of Issue: 03/07/2012

This issue supersedes all previously dated Conditions of Purchase (MP036 – Ver. 2.0)

1. **Definitions and Law:**

1.1. **In these conditions the following words shall have the following meanings:**

- 1.1.1. "The company", "On Productions", "On Events", "On Event Production Co." and "On Event Production Company" shall mean On Event Production Co. Ltd or any part thereof.
 - 1.1.2. "Conditions" shall mean these terms and conditions, and any Special Conditions.
 - 1.1.3. "Contract" and "Agreement" shall mean the contract between On Event Production Co. Ltd and the Supplier for the hire and/or sale and purchase of the Goods and/or provision of the Services, comprising these Conditions, the Special Conditions, the Specification and any other documentation referred to in the company Purchase Order.
 - 1.1.4. "Goods" shall mean any goods and/or materials which On Event Production Co. Ltd is to purchase from the Supplier (including any of them, or any part of them).
 - 1.1.5. "Purchase Order" shall mean any authorised purchase order issued by On Event Production Co. Ltd for Goods and/or Services, incorporating the Conditions.
 - 1.1.6. "Services" shall mean any works and/or services which On Event Production Co. Ltd is to purchase from the Supplier (including any of them or any part of them).
 - 1.1.7. "Special Conditions" are any special terms and conditions applicable to the Contract identified as being special conditions and appearing on the company Purchase Order.
 - 1.1.8. "Specification" shall mean any specification of On Event Production Co. Ltd and/or the Supplier applicable to the goods and/or the services set out or referred to on the Purchase Order or subsequently supplied or advised by On Event Production Co. Ltd.
 - 1.1.9. "Supplier" is the person, business, corporate or public body who is supplying the goods and/or services and who accepts On Event Production Co. Ltd's Purchase Order.
- 1.2. The formation, construction, performance, validity and all aspects of the contract shall be interpreted and applied in accordance with English Law and the parties to this contract agree to submit to the exclusive jurisdiction of the English Courts.
 - 1.3. The headings in these conditions are for convenience only and shall not affect their interpretation.

2. **Formation and Incorporation:**

- 2.1. These conditions are the only conditions upon which On Event Production Co. is prepared to deal with the supplier and they shall govern the contract to the entire exclusion of all other terms or conditions. No terms and/or conditions endorsed upon, delivered with or contained in the supplier's quotation, acknowledgement or acceptance of Purchase Order, specification or similar document will form part of the contract and the supplier waives any right which it otherwise might have to rely on such as terms and/or conditions. Any reference below to such documents will not be deemed to imply that any terms or conditions endorsed upon, delivered with or referred to in such documents will have effect to the exclusion or amendment of the Contract terms.
- 2.2. Each Purchase Order shall be deemed to be an offer by On Event Production Co. Ltd to purchase Goods and/or Services subject to these conditions and no Purchase Order shall be accepted until the supplier either expressly by giving notice of acceptance, or implied by fulfilling the Purchase Order, in whole or in part, accepts the offer.
- 2.3. Any variation to the Purchase Order or these conditions shall have no effect unless expressly agreed in writing and signed by a manager of On Event Production Co.
- 2.4. The supplier shall submit invoices to 'Accounts Payable' at On Event Production Co. Ltd.
- 2.5. The Contract (Right of Third Parties) Act 1999 (the "Contracts Act") shall only apply to this Agreement to the extent expressly specified in this Agreement and is otherwise hereby excluded.
- 2.6. Notwithstanding anything to the contrary in this agreement, no rights or obligations under this agreement shall be conferred on any third parties (including without limitation and sub-contractors of the supplier), other than the Associated Companies, pursuant to the Contracts Act.

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3. **Specification:**

- 3.1. The quantity, quality and description of the goods and/or services shall, subject to the conditions, be as specified in the Purchase Order and/or in any applicable Specification.
- 3.2. The supplier shall comply with all applicable standards, regulations and/or other legal requirements concerning the manufacture, packaging, packing and delivery of the goods and the performance of services.
- 3.3. The supplier acknowledges that precise conformity of the goods and services with the contract is a condition of the contract and On Event Production Co. shall be entitled to reject the goods and the services if they are not in conformance with the contract.
- 3.4. Goods shall be marked in accordance with On Event Production Co. instructions and any applicable regulations or requirements of the carrier and properly packed and stored as to reach their destination in an undamaged condition in the ordinary course.
- 3.5. On Event Production Co. may at any time make changes in writing relating to the Contract including changes to any applicable Specifications, the method of shipment, quantities, packing or time or place of delivery or performance. If such changes result in an increasing cost of, or time required for, the performance of the contract an equitable adjustment shall be made to the price, timetable for delivery or performance or both. Any adjustment by the supplier must be approved by a manager from On Event Production Co. in writing before the supplier proceeds with such changes.

4. **Delivery and Performance:**

- 4.1. The goods shall be delivered carriage paid to the company's place of business during On Event Production Co.'s office hours or such other place and time as may be stated in the Purchase Order. The supplier shall off-load the goods at its own risk as directed by On Event Production Co.
- 4.2. The services shall be provided at the place or places stated in the Purchase Order.
- 4.3. The goods shall be delivered and/or the services performed on the date or within the period specified in the Purchase Order, or if no such date or period is specified then within 30 days of the date of the Purchase Order.
- 4.4. The supplier shall ensure that each delivery of the goods is accompanied by a delivery note which is prominently displayed and which shows, among other things, the Purchase Order number, date of Purchase Order, Deliver to Name, Department, Number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.
- 4.5. Time for delivery and performance shall be of the essence of the contract.
- 4.6. If the goods are not delivered and/or the services are not performed on the due date specified in Condition 4.3 then, without prejudice to any other rights which it may have, On Event Production Co. reserves the right to:
 - 4.6.1. a) Cancel the contract in whole or in part;
 - 4.6.2. b) Refuse to accept any subsequent delivery of the goods or performance of the services which the supplier attempts to make;
 - 4.6.3. c) Recover from the supplier any expenditure reasonably incurred by On Event Production Co. in obtaining the goods in substitution from another supplier; and
 - 4.6.4. d) Claim damages for any additional costs, loss or expenses incurred by On Event Production Co. which are in any way attributable to the supplier's failure to deliver the goods and/or perform the services on/by the due date.
- 4.7. On Event Production Co. shall not be deemed to have accepted the goods nor to have accepted the services have been provided in accordance with the contract until On Event Production Co. has had a reasonable time to inspect (i) the goods following their delivery or, (ii) the product of the services following completion of their performance or, if later within a reasonable time after any latent defect in (i) the goods or, (ii) the product of the services has become apparent.
- 4.8. On Event Production Co. reserves the right to mark the goods immediately on delivery. This is undertaken for the purposes of security and stocking and On Event Production Co. shall not be deemed to have accepted the goods by reason of this nor will the supplier be entitled to raise an objection on this ground to any subsequent rejection of the goods.
- 4.9. The supplier shall supply On Event Production Co. on delivery of goods with all operating and safety instructions and other information as may be necessary for their proper use, maintenance and repair for On Event Production Co. to accept delivery of the goods.
- 4.10. Where goods and/or services are to be delivered by instalments, the contract will be treated as a single contract and not as severable.

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- 4.11. If the goods and/or services are delivered to On Event Production Co. in excess of the quantities as requested in the Purchase Order On Event Production Co. shall not be bound to pay for the excess, and any excess goods will be and will remain at the supplier's risk and will be returnable at the supplier's expense.

5. **Supplier's Employee Behaviour:**

- 5.1. The supplier shall not without the prior consent of On Event Production Co. allow any person onto any of the company's premises other than those persons directly engaged in delivering the goods and/or performing the services.
- 5.2. If On Event Production Co. shall at any time be dissatisfied for any reason with the performance or behaviour of any person engaged in performing the services on any of the company's premises, On Event Production Co. shall have the right immediately to remove such person from the company's premises without liability to the supplier and without prejudice to the supplier's obligations under the contract. The supplier shall within 24 hours provide a substitute person satisfactory to On Event Production Co. at no additional cost to the company.

6. **Risk and Ownership:**

- 6.1. Risk in the ordered goods shall pass to On Event Production Co. upon delivery to the company in accordance with the contract.
- 6.2. The ownership of the goods shall pass to On Event Production Co. upon delivery, unless payment for the goods is made prior to delivery, when it shall pass to the company when payment is made and the goods appropriated to the contract.

7. **Price and Payment:**

- 7.1. The price payable for the goods and/or services shall be that stated in the Purchase Order and unless stated otherwise shall be:
- 7.1.1. a) exclusive of any applicable value added tax (VAT), which shall be payable by On Event Production Co. subject to receipt of a valid VAT invoice; and
- 7.1.2. b) inclusive of all charges including, but not limited to, packaging material, packing, shipping, loading, carriage, insurance and delivery of the goods to the delivery address and any duties, imposts, levies or taxes other than value added tax.
- 7.2. No variation in the price nor extra charges can be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior written consent of a manager from On Event Production Co.
- 7.3. The supplier shall be entitled to invoice the company on or at any time after delivery of the goods and/or performance of the services, and each invoice shall quote the number of the Purchase Order.
- 7.4. Unless otherwise stated in the Purchase Order On Event Production Co. shall pay the price of the goods and/or services within 30 days of receipt of a valid invoice and provided that all goods and/or services are delivered satisfactorily and in full at the time of invoice.
- 7.5. Without prejudice to any other right or remedy, On Event Production Co. reserves the right to set off any amount owing at any time from the supplier to On Event Production Co. against any sums payable by On Event Production Co. to the supplier.

8. **Confidentiality:**

- 8.1. The supplier shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the supplier by On Event Production Co. and any other confidential information concerning the company's business or its products which the supplier may obtain and the supplier shall restrict disclosure of such confidential material to such of its employees, agents or sub-contractors as need to know the same for the purpose of discharging the supplier's obligation to On Event Production Co. and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality.

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8.2. Materials, equipment, tools, copyright, design rights or any other forms of intellectual property rights in all drawings, specifications and data supplied by On Event Production Co. to the supplier shall at all times be and remain the exclusive property of the company and shall be held by the supplier in safe custody at its own risk and maintained and kept in good condition by the supplier until returned to On Event Production Co. and shall not be disposed of other than in accordance with the company's written instructions, nor shall such items be used other than for the performance of the contract, strictly in accordance with its terms or otherwise only as authorised by a manager from On Event Production Co. in writing.

9. **Warrantied and Indemnity:**

9.1. The supplier warrants to On Event Production Co. that:

- 9.1.1. the goods will be of satisfactory quantity and fit for any purpose held out by the supplier or made known to the supplier prior to or at the time the Purchase Order is issued;
- 9.1.2. the goods will for a period of 12 months following delivery be free from defects in design, material and workmanship;
- 9.1.3. the goods will correspond in every respect with any applicable specification and any drawings, samples or descriptions provided by On Event Production Co.;
- 9.1.4. the goods will comply with all statutory requirements and regulations and voluntary codes of conduct relating to the goods and their sale and supply; and
- 9.1.5. the services will be provided with reasonable care and skill and will comply with any applicable specification and instructions issued by On Event Production Co., and with all statutory requirements and regulations and voluntary codes of conduct relating to the services.

9.2. If any of the goods and/or services fails to comply with the warranties set out in Condition 9.1 On Event Production Co. shall be entitled, among other things, to avail itself of any one or more of the remedies listed in Condition 11.

9.3. The supplier shall indemnify and keep indemnified On Event Production Co. in full from and against all direct, indirect or consequential liability, loss, damages, injury, costs and expenses (including legal expenses) awarded against or incurred or paid by On Event Production Co. as a result of or in connection with:

- 9.3.1. breach of any warranty given by the supplier in relation to the goods and/or services;
- 9.3.2. any claim that the goods and/or the product of the services infringe, or their use, resale or importation infringes the British or foreign patent, copyright, registered design, design right, trade mark, trade name or other intellectual property right of any other third party except to the extent that the claim arises from any specifications, drawings, samples or descriptions provided by On Event Production Co.;
- 9.3.3. any claim made against On Event Production Co. in respect of any liability, loss, damage, cost or expense sustained by On Event Production Co.'s employees by any customer or third party to the extent that such liability, loss, damage, cost or expense was caused by, relates to or arises from the goods and/or the product of the services; or
- 9.3.4. any act or omission of the supplier or its employees, agents or sub-contractors in supplying, delivering and installing the goods and/or performing the services in accordance with the contract.

9.4. Without limiting the supplier's obligations under Condition 9.3 the supplier shall take out and maintain insurance against all insurance risks which are covered by the supplier's indemnity given under Condition 9.3 in a sum not less than £1,000,000 per claim. Satisfactory evidence of such insurance and of payment of current premiums shall be shown to On Event Production Co. on request. The supplier shall not, by act or omission, invalidate or make void all or any part of such insurance. On Event Production Co. shall have the right to require the supplier to take out additional or alternative insurance against the risks covered by the supplier's indemnity where the supplier's insurer or the terms of the supplier's insurance are not satisfactory to the company.

10. **Termination:**

10.1. On Event Production Co. shall be entitled to cancel any Purchase Order to terminate any contract in whole or in part by giving notice to the supplier at any time prior to delivery of the goods and/or performance of the services or pursuant to Condition 14, in which circumstances the company's sole liability shall be to pay to the supplier fair and reasonable compensation for work-in-progress at the time of cancellation or termination but such compensation shall not include loss of anticipated profits or any consequential loss.

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- 10.2. On Event Production Co. shall have the right at any time by giving notice in writing to the supplier to terminate the contract forthwith, without liability to the supplier, if:
- 10.2.1. the supplier commits a breach of any of the terms and conditions of the contract;
 - 10.2.2. any distress, execution or other legal process is levied upon any of the assets of the supplier;
 - 10.2.3. the supplier enters into any arrangement or composition with its creditors, commits any act of bankruptcy or (being a corporation) if an order is made or an effective resolution is passed for its winding up or if a petition is presented to court for its winding up or the appointment of an administrator, or if a receiver and manager, receiver, administrative receiver or administrator is appointed in respect of the whole, or any part of, the supplier's undertaking or assets;
 - 10.2.4. the supplier ceases or threatens to cease to carry on its business;
 - 10.2.5. the financial position of the supplier deteriorates to such an extent that in the opinion of On Event Production Co. the capability of the supplier to adequately fulfil its obligations under the contract has been placed in jeopardy;
 - 10.2.6. anything analogous to any of the foregoing occurs in respect of the supplier in any jurisdiction; or
 - 10.2.7. On Event Production Co. reasonably apprehends that any of the events mentioned above is about to occur in relation to the supplier.
- 10.3. The termination of the contract, however arising, will be without prejudice to the rights and duties of either party accrued prior to termination. The Conditions which expressly or impliedly have effect after termination will continue to be enforceable notwithstanding termination.

11. Remedies:

- 11.1. Without prejudice to any other right or remedy which On Event Production Co. may have, if any goods and/or services are not supplied in accordance with or the supplier fails to comply with any of the terms of the contract On Event Production Co. shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the goods and/or services have been accepted by On Event Production Co.:
- 11.1.1. to rescind the Purchase Order;
 - 11.1.2. to reject the goods (in whole or in part) and return them to the supplier at the risk and cost of the supplier on the basis that a full refund for the goods so returned shall be paid forthwith by the supplier;
 - 11.1.3. to reject the performance of the services (in whole or in part) as not in accordance with the contract on the basis that a full refund for the services so rejected shall be paid forthwith by the supplier;
 - 11.1.4. at the company's option to give the supplier the opportunity at the supplier's expense either to remedy any defect in the goods and/or services or to supply replacement goods and/or services and carry out any other necessary work to ensure that the terms of the contract are fulfilled, in each case on the basis that any repair or replacement shall be warranted in accordance with Condition 9 for a period of 12 months from the date of such repair or replacement;
 - 11.1.5. to refuse to accept any further supplies of the goods and/or services but without any liability to the supplier;
 - 11.1.6. to carry out at the supplier's expense any work necessary to make the goods and/or services comply with the contract; and
 - 11.1.7. to claim such damages as may have been sustained in consequence of the supplier's breaches of the contract.

12. Health and Safety:

- 12.1. Any goods supplied or installed and any services provided under the contract shall be so formulated, designed, constructed, finished, packaged and performed so as to be safe and without risk to health and all goods will be supplied with full instructions for their proper use, maintenance and repair and with any necessary warning notices clearly displayed.
- 12.2. The supplier agrees before delivery to furnish On Event Production Co. in writing with a list by name and description of any harmful or potentially harmful properties or ingredients in goods supplied whether in use or otherwise and thereafter information concerning any changes in such properties or ingredients. On Event Production Co. will rely on the supply of such information from the supplier in Purchase Order to satisfy its own obligations under the Health & Safety at Work Act 1974 and any other relevant legislation.

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13. Assignment:

- 13.1. Each contract is personal to the supplier and the supplier shall not assign or transfer or purport to assign or transfer to any other person any of its rights or subcontract any of its obligations under any contract.
- 13.2. On Event Production Co. may assign the contract or any part thereof to any person, business, corporate or public body.

14. Force Majeure:

- 14.1. On Event Production Co. reserves the right to defer the date of delivery or payment or to cancel the contract or reduce the volume of the goods and/or services ordered if it is prevented from or delayed in the carrying on of its business through any circumstances beyond its reasonable control.

15. General:

- 15.1. Each right or remedy of On Event Production Co. under the contract is without prejudice to any other right or remedy of On Event Production Co. whether under the contract or not.
- 15.1.1. If any provision of the contract which is held by a competent authority to be invalid, void, voidable, unenforceable or unreasonable (in whole or in part) shall to the extent of such invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the other provisions of the contract and the remainder of such provision shall not be affected.
- 15.2. Failure of On Event Production Co. to enforce or partially enforce any provision of the contract will not be construed as a waiver of any of its rights under the contract.

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