

## Terms & Conditions

### 1. Scope of Sub-Contract

- 1.1. These Terms & Conditions of Purchase, together with the Purchase Order, and where relevant SINTEC's Supplementary Terms & Conditions, and/or any other additional terms and conditions agreed in writing, set out all the rights and obligations of the parties (collectively the "Sub-Contract"). No other terms or conditions shall be implied save by statute. If any provision in these Terms & Conditions of Purchase is found to be invalid or unenforceable, all other provisions shall remain in full force and effect.
- 1.2. In the event of conflict the following order of precedence shall apply:
  - 1.2.1. the Purchase Order;
  - 1.2.2. these Terms & Conditions of Purchase;
  - 1.2.3. the Supplementary Terms & Conditions;
  - 1.2.4. other additional terms agreed in writing;
  - 1.2.5. any documents contained in the Bid Pack.
- 1.3. The Supplier or Sub-Contractor ("**Sub-contractor**") shall satisfy itself that it has received all the information necessary to carry out and complete the Sub-Contract Works. The Sub-Contractor shall promptly notify SINTEC, in writing, of any omission, inconsistency, or lack of clarity.
- 1.4. No amendment or modification of these Terms & Conditions of Purchase shall be valid or binding on either party unless it is made in writing and signed by the parties or their duly authorised representatives.
- 1.5. Any failure or delay by SINTEC to enforce any provision of the Sub-Contract shall not constitute a waiver of that provision or affect the validity of the Sub-Contract not the right of SINTEC to subsequently enforce such provision.
- 1.6. Any rights under the Contracts (Rights of Third Parties) Act 1999 are excluded.
- 1.7. These Terms & Conditions of Purchase shall be construed in accordance with English Law and the parties submit to the non-exclusive jurisdiction of the English Courts.
- 1.8. The language of the Sub-Contract shall be (and all communications under the Sub-Contract shall be conducted in) English.

### 2. Sub-Contractor's Obligations

#### Standard of Care

- 2.1. The Sub-Contractor shall:
  - 2.1.1. carry out and complete the Sub-Contract Works as described in the Purchase Order or in writing regularly and diligently, with reasonable skill and care, in a proper and workmanlike manner;

- 2.1.2. provide all necessary and appropriately qualified and experienced labour. SINTEC reserved the right to request in writing to replace at Sub-Contractor's cost any incompetent or inexperienced personnel;
- 2.1.3. provide all necessary tools, plant, materials, and equipment, which must be regularly inspected;
- 2.1.4. obtain all relevant licences, permissions or permits to work; and
- 2.1.5. use reasonable endeavours not to impede or interfere with any other work in progress on the site.

#### Plant and Materials

- 2.2. All plant and/or materials supplied under the Sub-Contract shall (unless otherwise agreed in writing) be new, of satisfactory quality, be fit for their intended purpose, and shall comply with any agreed specification or performance criteria.
- 2.3. The Sub-Contractor shall, where relevant, be responsible for complying with all legislation (and any associated costs) relating to the import or export of any plant and/or materials to be provided under the Sub-Contract.
- 2.4. The Sub-Contractor shall, prior to delivery, provide to SINTEC:
  - 2.4.1. copies of all relevant test certificates and (where reasonably requested) provide reasonable access to SINTEC to inspect the plant and/or materials during their manufacture; and
  - 2.4.2. an advice note setting out:
    - 2.4.2.1. the scheduled date for delivery;
    - 2.4.2.2. the Purchase Order number;
    - 2.4.2.3. details of the items being delivered; and
    - 2.4.2.4. any other information required by the Purchase Order.
- 2.5. All deliveries of plant and/or materials shall be made on or before the date/time and to the location or locations set out in the Purchase Order. Delivery shall be deemed to have been effected upon a Payment Certificate, (or such other form of acceptance documentation agreed in writing by SINTEC), being signed by SINTEC or its authorised representative.
- 2.6. The time for delivery shall be of the essence, and without prejudice to **clause 10**, in the event of default SINTEC shall be entitled to terminate the Sub-Contract with immediate effect.
- 2.7. All deliveries are subject to inspection by SINTEC (or its authorised representative). Acceptance of the plant and/or materials shall be without prejudice to SINTEC's right to reject them if they are subsequently found to be not of satisfactory quality or fit for their intended purpose or otherwise not in accordance with the Sub-Contract.
- 2.8. Any plant and/or materials rejected under **clause 2.7** shall be returned to the Sub-Contractor at the Sub-Contractor's cost and risk and the Sub-Contractor shall reimburse SINTEC:
  - 2.8.1. the price paid for such plant and/or materials; and
  - 2.8.2. any cost incurred by SINTEC in returning the plant and/or materials to the

Sub- Contractor.

- 2.9. The Sub-Contractor shall provide all certification, test results, drawings, OEM warranties, installation and maintenance manuals, and testing and commissioning certificates and/or any other documents as required under the Sub-Contract (“Technical Documents”). For the avoidance of doubt, completion of the Sub-Contract Works under **clause 7.1** shall require the provision of such certification and/or documents pursuant to this **clause 2.9**.

#### Warranty

- 2.10. The Sub-Contractor warrants that all installation works and plant and/or materials will be free from any defects in design, materials and workmanship for a period of 24 months from the date of completion of the Sub-Contract Works (the “Warranty Period”).

#### Transfer of Risk and Reservation of Title

- 2.11. Risk and title in all plant and/or materials shall pass to SINTEC upon delivery unless payment is made prior to delivery, in which case title shall pass upon payment. Risk in any plant and/or materials rejected under **clause 2.7** shall revert to the Sub-Contractor.

#### Timing of the Sub-Contract Works

- 2.12. The Sub-Contractor shall commence and complete the Sub-Contract Works in accordance with any milestone dates or programme stated or referred to in the Sub-Contract, or such other dates as shall be agreed in writing between the parties. If no dates or programme are stated or agreed, the Sub-Contractor shall carry out and complete the Sub-Contract Works within a reasonable time. In all cases the Sub-Contract Works shall be completed prior to any date for completion under the main contract between SINTEC and its customer (the “Main Contract”).
- 2.13. As soon as it becomes apparent that the Sub-Contract Works will not be completed by any agreed date, the Sub-Contractor shall notify SINTEC in writing setting out the reasons why and the Sub-Contractor’s proposals for remedying the situation. SINTEC may permit an extension of time for completion of the Sub-Contract Works. In all circumstances, save for reasonable requests following a Force Majeure event, agreement for an extension to time shall be at the sole and absolute discretion of SINTEC.
- 2.14. If the Sub-Contract Works are not completed by the Sub-Contractor by the completion date (or any revised completion date under **clause 2.12** or **2.13**), SINTEC may deduct from any payment due to the Sub-Contractor, or otherwise recover as a debt, any loss, expense, damage, or other cost suffered or incurred by SINTEC by reason of the Sub- Contractor’s late completion including but not limited to any Liquidated and Ascertained Damages levied against SINTEC under the Main Contract.

### **3. Sub-Contractor Design Liability and Intellectual Property**

- 3.1. Where the Sub-Contractor undertakes any design of the Sub-Contract Works:
- 3.1.1. the Sub-Contractor warrants that it will exercise all reasonable skill and care as may be expected of a properly qualified designer experienced in carrying out works of a similar scope, nature, and complexity;
- 3.1.2. the Sub-Contractor accepts sole responsibility for its design of the Sub-Contract Works and for the selection of materials, goods and workmanship forming that part of the Sub-Contract Works; and

3.1.3. the Sub-Contractor shall take out and maintain Professional Indemnity Insurance as set out at **clause 11**.

3.2. The Sub-Contractor grants to SINTEC an irrevocable, non-exclusive, royalty free licence to use and reproduce all drawings, plans, reports, specifications, calculations or other similar documents for any purpose whatsoever connected with either the Sub-Contract Works or the works under the Main Contract.

3.3. The Sub-Contractor warrants that any documents prepared by it or on its behalf will not infringe the rights of any third party, and that it will fully indemnify SINTEC in respect of any such infringement.

#### **4. Assignment**

4.1. The Sub-Contractor shall not, without the prior written consent of SINTEC (such consent not to be unreasonably withheld or delayed) assign or sub-contract all or any part of the Sub- Contract Works nor assign the right to pursue any debt which may become due under the sub-contract.

4.2. Notwithstanding any assignment or sub-letting under **clause 4.1**, the Sub-Contractor shall at all times remain responsible for the carrying out and completion of the Sub-Contract Works.

#### **5. Variations**

5.1. SINTEC (or its authorised representative), may issue instructions to the Sub-Contractor requiring additional or varied work to be carried out.

5.2. The Sub-Contractor may issue a notice in writing advising that a variation to the Sub-Contract Works is necessary. Such variation shall be fully particularised in writing and shall set out any proposed adjustment to the Sub-Contract Price.

5.3. SINTEC shall, unless the instruction requires an immediate response, issue to the Sub- Contractor a variation to the Purchase Order confirming the scope of the additional or varied work. Any additional or varied work shall be invoiced separately by the Sub- Contractor and shall be valued as follows:

5.3.1. in accordance with any lump sum or fixed price set out in the Variation Purchase Order; or

5.3.2. on a re-measurement basis according to rates (including labour rates) set out in either the Purchase Order, the Variation Purchase Order, or any other agreed schedule of rates (as the case may be).

5.4. Where no rates or prices are stipulated, labour will be paid at reasonable industry rates (based on the complexity and locality of the works) and plant and materials shall be paid at cost plus 5% in respect of profits and overheads.

5.5. Where compliance with an instruction under this **clause 5** will result in the Sub-Contract Works not being completed by the completion date (or any revised completion date) SINTEC will issue a notice in writing specifying an extension of time for completion as may be reasonable.

#### **6. Payment**

6.1. The Sub-Contract Price shall be as set out in the Purchase Order and shall, unless agreed in writing, include all transport, carriage, and duty/tax costs and the provision of all Technical Documents required under the Sub-Contract.

- 6.2. Where the Sub-Contractor fails to provide any of the Technical Documents as required under the Sub-Contract, SINTEC shall be entitled to withhold 10% of the Sub-Contract Price until they have been provided.
- 6.3. Where Part 2 of the Housing Grants Construction & Regeneration Act 1996 (the "Construction Act") applies SINTEC shall make payment as follows:
- 6.3.1. the Sub-Contractor shall submit applications for payment by no later than the last day of the calendar month in which each of the payment milestones as set out in the Purchase Order are achieved (or where no payment milestones are specified, on the last day of each calendar month during which Sub-Contract works have been carried out). Applications for payment shall be based on the value of the milestone completed or where no milestones are specified the value of the Sub-Contract Works completed at the time the application for payment is submitted. The due date for payment shall be the date the application is received by SINTEC. The application for payment shall set out the sum the Sub-Contractor considers to be due and basis upon which that sum has been calculated.
- 6.3.2. Not later than 5 days after the due date SINTEC shall issue a notice specifying the sum it considers to be due to the Sub-Contractor, and the basis upon which that sum has been calculated (a "Payment Notice").
- 6.3.3. If SINTEC intends to pay less than the sum stated in either the Sub-Contractor's application for payment or the Payment Notice, it shall, not later than 1 day before the final date for payment, issue a notice specifying the sum it considers to be due and the basis upon which that sum has been calculated (a "Pay Less Notice").
- 6.3.4. the final date for payment shall be the nearest working day to the end of the 2<sup>nd</sup> calendar month following the month in which the application for payment is received by SINTEC.
- 6.3.5. If the Sub-Contractor becomes insolvent as defined by s.113 of the Housing Grants Construction and Regeneration Act 1996 (the "Construction Act") at any time between the date for issuing a Pay Less Notice and the final date for payment, SINTEC shall not be obliged to make any further payment to the Sub- Contractor.
- 6.3.6. SINTEC shall not be obliged to make payment to the Sub-Contractor in respect of any Sub-Contractor Works for which SINTEC has not received payment by reason of the employer under the Main Contract becoming insolvent as defined by s.113 of the Construction Act.
- 6.4. Where Part 2 of the Construction Act does not apply, the Sub-Contractor shall submit an invoice to SINTEC at the end of each calendar month during which each of the payment milestones as set out in the Purchase Order are achieved (or where no payment milestones are specified, on the last day of each calendar month during which the delivery of goods and/or services was provided. Subject to any entitlement to withhold monies from the Sub-Contractor, SINTEC shall make payment by the nearest working day to the end of the 2<sup>nd</sup> calendar month following the month in which the application for payment is received by SINTEC.
- 6.5. If SINTEC fails to pay a sum due to the Sub-Contractor by the final date for payment (or the date for payment under **clause 6.4** as the case may be), the sum due shall attract simple interest at the rate of 4% over the prevailing Bank of England base rate, subject to a maximum rate of interest of 8%, until such time as the sum due is paid.

- 6.6. Where the Sub-Contractor is a “contractor” for the purposes of the Construction Industry Scheme, payments to the Sub-Contractor shall be in accordance with the Construction Industry Scheme.
- 6.7. For the avoidance of doubt, SINTEC may set-off against payments due to the Sub-Contractor any sums which are owed by the Sub-Contractor to SINTEC in relation to any other contract.
- 6.8. The Sub-Contractor shall not be entitled to suspend performance of any of its obligations under the Sub-Contract where the Sub-Contractor asserts that monies are owed to it under any other contract it has entered into with SINTEC.

## **7. Completion and Defects**

- 7.1. SINTEC will notify the Sub-Contractor in writing of the date when in SINTEC’s opinion the Sub-Contract Works have reached completion.
- 7.2. During the Warranty Period, SINTEC (or its authorised representative) shall notify the Sub- Contractor in writing, , the Sub-Contractor shall at its own cost, repair or replace any installation works and/or plant and/or materials not in accordance with **clauses 2.1, 2.2, and/or 2.10**. Such repair or replacement shall be carried out within 48 hours of receipt of notification by SINTEC, or within such other time period as may be agreed in writing by SINTEC.
- 7.3. During the Warranty Period, the Sub-Contractor shall maintain and/or have access to a reasonable supply of spare parts and shall guarantee their prompt availability in order to comply with **clause 7.2**.
- 7.4. If the Sub-Contractor fails to make good such defects or faults as required under **clause 7.2** SINTEC may carry out remedial works itself or instruct others to do so on its behalf. Where SINTEC exercises its rights under this **clause 7.4**, SINTEC shall be entitled to set-off or recover as a debt the reasonable cost of doing so from any payment due to the Sub- Contractor.
- 7.5. SINTEC (or its authorised representative) shall notify the Sub-Contractor in writing the date on which it considers the Sub-Contractor’s obligations under **clause 7.2** have been discharged.
- 7.6. Notwithstanding anything in these Terms & Conditions, if in its reasonable opinion SINTEC considers that the Sub-Contractor will be unable to complete the Sub-Contract Works in accordance with the Sub-Contract (whether in relation to time or quality) which will or is likely to affect the completion of the works under the Main Contract, SINTEC may, to the exclusion of the Sub-Contractor, procure the completion of the Sub-Contract Works. Where SINTEC exercises its rights under this **clause 7.6**, SINTEC shall be entitled to recover, as a debt from the Sub-Contractor, any additional costs it incurs over and above the Sub- Contract Price.
- 7.7. All snag lists and defects must be corrected before Sub-Contractor leaves site.

## **8. No Approval**

- 8.1. No payment, approval, comment, consent, or indication of satisfaction given by SINTEC (or its authorised representative) shall operate to reduce, extinguish, exclude, limit or modify the Sub-Contractor’s obligation to fulfil its duties and obligations under the Sub-Contract.

## **9. Health & Safety**

- 9.1. The Sub-Contractor shall provide all necessary supervision to ensure the proper execution of the Sub-Contract Works and shall have a competent person on site who shall be authorised to accept instructions on behalf of the Sub-Contractor.

- 9.2. The Sub-Contractor shall, where applicable, comply with the CDM Regulations and/or any other rules or regulations in force at the site, and/or any requirements for health and safety and quality control under either the Sub-Contract or the Main Contract.
- 9.3. The Sub-Contractor shall not use or specify for use any products or materials which are generally known in the construction or engineering industry to be deleterious or potentially hazardous, or not in conformity with any relevant British or European Standards or Codes of Practice. In particular:
  - 9.3.1. where relevant, the Sub-Contractor shall comply in all respects with Regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH); and
  - 9.3.2. the Sub-Contractor shall not use, specify for use, or permit to be used by others any silicone or silicone based products, or any other product, substance or material which is not compatible with paint.
- 9.4. If, in the performance of its obligations, the Sub-Contractor becomes aware that it, or any other person has specified or used, or authorised for use any such product, substance of material referred to in **clause 9.3** the Sub-Contractor will immediately notify SINTEC in writing.
- 9.5. In the event of any breach of **clause 9.3**, the Sub-Contractor will be liable to indemnify SINTEC in relation to any loss, expense, cost, or damage incurred or suffered by SINTEC as a result of such breach.

## **10. Termination**

- 10.1. If SINTEC's employment under the Main Contract is terminated for whatever reason, the Sub-Contractor's employment shall be automatically terminated.
- 10.2. If the Sub-Contractor is in Material Breach of the Sub-Contract, SINTEC may by notice in writing, immediately terminate the Sub-Contractor's employment under the Sub-Contract. For the purposes of this **clause 10.2** Material Breach is defined as follows:
  - 10.2.1. non-authorised or unlawful suspension of the Sub-Contract Works by the Sub-Contractor;
  - 10.2.2. serious and/or persistent delay in carrying out the Sub-Contract Works;
  - 10.2.3. specifying or using materials in breach of **clause 9.3**;
  - 10.2.4. failure to provide evidence of insurance in breach of **clause 11.2**; or
  - 10.2.5. repudiation of the Sub-Contract by the Sub-Contractor.
- 10.3. If the Sub-Contractor fails to proceed regularly and diligently with the Sub-Contract Works, or fails to comply with its obligations under the Sub-Contract (including, but not limited to the delivery of plant and/or materials which are not of satisfactory quality or fit for their intended purpose, or otherwise not in accordance with the requirements of the Sub-Contract) SINTEC may serve a notice in writing on the Sub-Contractor specifying the default(s). If the Sub-Contractor continues a specified default for 7 days from receipt of such notice, SINTEC may by further notice in writing terminate the Sub-Contractor's employment with immediate effect.
- 10.4. Either party may, by notice in writing, immediately terminate the Sub-Contract where the other party is insolvent. For the purposes of this **clause 10**, a party is insolvent if it enters into any arrangement or composition with its creditors, takes the benefit of any statutory



provision for the relief of insolvent debtors, enters into liquidation (whether voluntary or compulsory), has a receiver and/or manager, or administrator appointed, has court proceedings issued against it relating to insolvency, or has a bankruptcy order made against it.

- 10.5. Either party may terminate the Sub-Contract in the event of force majeure which continues for a continuous period of 45 days or more. For the purposes of this **clause 10.5** force majeure shall mean any event, resulting in delay, proven to be beyond the reasonable control of either party including but not limited to any act of God, natural disasters, fire, flood, explosions or earthquakes, governmental actions, war, terrorism, riot, or strikes (other than of the Sub-Contractor's own workforce).
6. Where the Sub-Contractor's employment is terminated under this **clause 10**, the Sub-Contractor shall be entitled to payment in respect of the Sub-Contract Works properly completed up to the date of termination, but SINTEC shall not be liable for any claim by the Sub-Contractor for loss and/or expense and/or damage including but not limited to loss of profit arising from such termination.
7. Where the Sub-Contractor's employment has been terminated as the result of Sub-Contractor default under **clause 10.2** or **10.3** or the Sub-Contractor's insolvency under **clause 10.4**, SINTEC shall be entitled to deduct from any payment due to the Sub-Contractor or recover as a debt any loss, expense, damage, or other cost suffered or incurred by SINTEC as a direct result of the termination.

## **11. Insurances**

- 11.1. Where required by the Purchase Order, the Sub-Contractor is required to take out and maintain the following insurances:
- 11.1.1. Employer's Liability with a limit of indemnity of not less than £5,000,000;
- 11.1.2. Public Liability with a limit of indemnity of not less than £5,000,000;
- 11.1.3. Product Liability with a limit of indemnity of not less than £5,000,000;
- 11.1.4. Contractor's All Risk and Marine Cargo Insurance for the full value of any goods and/or services to be provided under the Sub-Contract; and
- 11.1.5. Professional Indemnity Insurance with a limit of indemnity of not less than £1,000,000
- (the "Insurances")
- 11.2. The insurances listed at 11.1.1 to 11.1.4 inclusive shall be maintained for the duration of the Sub-Contract Works. The insurance listed at 11.1.5 shall be maintained for a period of 6 years from the completion of the Sub-Contract Works.
- 11.3. The Sub-Contractor shall, upon reasonable request, provide evidence that the insurances are in place and are being maintained.
- 11.4. The Sub-Contractor shall give written notice, as soon as reasonably practicable, of any circumstances which may give rise to a claim under the Insurances.
- 11.5. If the Sub-Contractor fails to effect and/or maintain any of the Insurances, SINTEC at its own discretion may take out such insurance as may be necessary. Any premium(s) paid by SINTEC may be deducted from any sums due to the Sub-Contractor or otherwise be recovered by SINTEC as a debt due.

## **12. INDEMNITY**

12.1. Notwithstanding any other provision in these Terms & Conditions, the Sub-Contractor shall be liable for, and shall indemnify SINTEC against, any expense, liability, loss, claim or proceedings whatsoever in respect of any breach of the Sub-Contract (including negligence) by the Sub-Contractor arising out of or in the course of or caused by the carrying out of the Sub-Contract Works, except to the extent that the same is due to any act or neglect of SINTEC or its authorised representatives.

## **13. Notices**

13.1. Any notice under these Terms & Conditions of Purchase shall be sufficiently served if sent by hand, facsimile transmission, or by first class post to the registered office of the party (or if there is no registered office, the last known trading address).

13.2. Notice by hand shall be deemed to be served on the date of delivery, and notice by facsimile transmission shall be deemed to be served at the time recorded on the facsimile report sheet, provided that if any notice sent by hand or facsimile is sent after 5:00pm on any day, it shall be deemed to be served on the next business day.

13.3. Notice by post shall be deemed to be served 2 days after the date of posting providing the end of that period falls before 5:00pm on a business day and otherwise on the next business day.

## **14. Dispute Resolution**

14.1. The parties shall attempt to resolve any dispute or difference by negotiation. If a dispute or difference cannot be resolved by negotiation within a reasonable time, the parties may attempt mediation. If the parties are unable to agree on the identity of a mediator, either party may apply to ADR Group to nominate a mediator.

14.2. In circumstances where a party reasonably believes a dispute or difference is unlikely to be fully resolved by way of mediation and intends to remit such dispute or difference to the Courts for determination, the Parties shall comply with the pre-action protocol for construction and engineering disputes prior to issuing any court proceedings.

14.3. Where Part 2 of the Construction Act applies, either party may refer any dispute or difference to adjudication which shall be conducted in accordance with the Scheme for Construction Contracts (England & Wales) Regulations 1998.

14.4. The adjudicator nominating body shall be either the Institution of Mechanical Engineers (in the case of disputes concerning mechanical installation works), the Institute of Electrical Engineers (in the case of disputes concerning electrical installation works), or in any other case the Chartered Institute of Arbitrators, save that where a dispute under the Main Contract has been referred to adjudication which relates to a dispute arising under the Sub-Contract, the parties agree that the adjudicator (if he agrees) shall also be appointed to act as the adjudicator in relation to the dispute arising under the Sub-Contract.

## **15. Confidentiality**

15.1. The Sub-Contractor shall not, without SINTEC's prior written approval, disclose to any other person (other than to fulfil the Sub-Contractor's obligation under the Sub-Contract or where disclosure is required by law) any information about either the Main Contract or the Sub-Contract.

15.2. The Sub-Contractor shall not use any information obtained by reason of the Sub-Contract, including the names and/or reputation of any parties involved, for any publicity, advertising or marketing purposes.

## **16. Ethical Standards and Human Rights**

- 16.1. Unless otherwise required or prohibited by law, the Supplier warrants, to the best of its knowledge, that in relation to the supply of Services under the terms of the Agreement:
- 16.1.1. it does not employ engage or otherwise use any child labour in circumstances such that the tasks performed by any such child labour could reasonably be foreseen to cause either physical or emotional impairment to the development of such child;
  - 16.1.2. it does not use forced labour in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge papers or deposits on starting work;
  - 16.1.3. it provides a safe and healthy workplace, presenting no immediate hazards to its employees. Any housing provided by the Supplier to its employees is safe for habitation. The Supplier provides access to clean water, food, and emergency healthcare to its employees in the event of accidents or incidents at the Supplier's workplace;
  - 16.1.4. it does not discriminate against any employees on any ground (including race, religions, disability or gender);
  - 16.1.5. it does not engage in or support the use of corporal punishment, mental, physical, sexual or verbal abuse and does not use cruel or abusive disciplinary practices in the workplace;
  - 16.1.6. it pays each employee at least the minimum wage, or a fair representation of the prevailing industry wage, (whichever is the higher) and provides each employee with all legally mandated benefits;
  - 16.1.7. it complies with the laws on working hours and employment rights in the countries in which it operates;
  - 16.1.8. it is respectful of its employee's right to join and form independent trade unions and freedom of association.
- 16.2. The Supplier agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards and human rights by any subsequent supplier of goods and services that are used by Supplier when performing its obligations under this Agreement.
- 16.3. The Supplier shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies.
- 16.4. The Purchaser reserves the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon the Supplier's premises to monitor compliance by the Supplier of the warranties set out in this Clause 16 and the Supplier shall, subject to compliance with law, furnish the Purchaser with any relevant documents requested by the Purchaser in relation thereto.