

# **BP Terms and Conditions of Purchase**

## **1. DEFINITIONS AND INTERPRETATION**

- 1.1 In these General Conditions of Purchase, the following terms shall have the following meaning:
- 1.1.1 'BP' shall mean BP Italia S.p.A.
  - 1.1.2 'Goods and/or Services' shall mean any goods, services and other items to be provided by the Supplier to BP as detailed in the Purchase Order.
  - 1.1.3 'Personnel' means the person or persons to be provided by the Supplier and/or Sub-contractor for the purposes of performing the Goods and/or Services.
  - 1.1.4 'Purchase Order' or 'PO' means the completed purchase order document issued by BP together with any documents referred to therein and these General Conditions of Purchase
  - 1.1.5 'Site' shall mean the BP site as specified in the PO.
  - 1.1.6 'Sub-contractor' shall mean any party to whom the Supplier has sub-let the supply of Goods and/or Services or any portion thereof.
  - 1.1.7 'Supplier' means the person, firm or company named in the PO.
- 1.2 In the event of any conflict between these General Conditions of Purchase and the provisions of the completed PO, the latter shall prevail.

## **2. AGREEMENT**

BP agrees to purchase the Goods and/or Services from the Supplier and the Supplier agrees to supply the Goods and/or Services in accordance with this PO.

## **3. VARIATIONS**

BP shall have the right to order variations to the PO which will be recorded via a formal amendment to the PO and sent to the Supplier before the latter has already delivered Goods and/or Services, according to article 1328 of the Italian Civil Code.

## **4. PURCHASE ORDER PRICE**

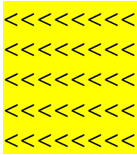
In full consideration of the satisfactory provision of the Goods and/or Services, BP shall remunerate the Supplier in accordance with the rates and prices stipulated in the PO. These rates and prices shall represent the Supplier's full entitlement for the Goods and/or Services supplied under this PO. All prices on the PO are stated exclusive of such value added tax as may be applicable. Extra charges submitted in respect of this PO will not be accepted without the issue of a formal amendment to the PO.

## **5. INVOICING AND PAYMENT**

- 5.1 The Supplier shall submit valid VAT invoices in respect of the Goods and/or Services following delivery or completion of the Goods and/or Services.
- 5.2 All invoices shall be supported by the relevant substantiation document as appropriate to evidence the sums shown.

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5.3 Invoices shall be submitted, bearing this PO number and addressed to:



5.4 Subject to BPs' approval, payment will be effected in the currency stated in the PO, within sixty (60) days from the date of receipt of a valid invoice. Payment is deemed to have been made when the order of payment is received by the Supplier's bank. If the payment date is a national holiday, payment will be postponed to the next business day.

**6. WARRANTIES**

6.1 The Supplier warrants that all Services shall be provided with reasonable care and skill and in accordance with generally recognised commercial practices and standards by appropriately trained and qualified Personnel and that any Goods provided under this PO shall:-

- 6.1.1 conform to any specification therein;
- 6.1.2 be of satisfactory quality, free from defects and fit for their intended purposes (whether such purpose is implied or expressly stated in the PO);
- 6.1.3 be suitable for use by BP, including if applicable, inclusion in BP products; and
- 6.1.4 not infringe any intellectual property rights of any third party.

6.2 The Supplier shall, with all possible speed and without cost to BP, re-perform the Services and/or replace or repair any of the Goods or any part thereof if the whole or any part of the Goods and/or Services fail to meet the warranties set out in clause 6.1. This warranty will continue in effect for a twenty four month period commencing on the date of delivery of the Goods to BP or date of completion of the Services, or for a longer period if provided for by the local law.

6.3 The Supplier shall be liable for any activity performed by a Sub-Contractor in supplying Services and/or Goods to BP. The Supplier guarantees that any fulfilments related to employees and contractors have been properly fulfilled by its Sub-Contractor in accordance with the Legislative Decree nr. 81/2008

6.4 BP shall promptly inform the Supplier in writing of any Goods and/or Services that fail to meet the warranties set out in clause 6.1. Without limitation, the Supplier shall reimburse any transportation costs and any other charges incurred by BP in re-performing or repairing or replacing the Goods and/or Services.

6.5 BP's rights hereunder are in addition to and not in substitution of any express, implied statutory or other rights.

6.6 Any other matter related with warranty which has not been set here will be governed by the Italian Civil Code and by Legislative Decree nr.206/2005 (Code of Consumer).

**7. INSPECTION AND TESTING**

Goods and/or Services shall strictly comply with the requirements and specification set out in the PO. BP may inspect the Goods and/or Services, or carry out any tests called for in the specification attached to the PO, either during manufacture, before dispatch, at the point of delivery or at any other time. In the event of any non conformity to the agreed standard and/or specification, art. 6.4 shall apply.

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### **8. DELIVERY AND OWNERSHIP**

- 8.1 Delivery shall be in accordance with the requirements set out in the PO and the Supplier shall supply Goods and/or Services within any time periods set out in the PO. Strict compliance with such requirements is of the essence of the PO.
- 8.2 BP shall return Goods delivered in error or in excess quantity at the Supplier's expense. The Supplier shall, in respect of incorrect deliveries, arrange for prompt re-delivery of Goods and/or Services under the PO at no additional cost to BP.
- 8.3 Risk in the Goods shall pass to BP upon their delivery into BP's possession. Without prejudice to BP's rights of rejection, title to and ownership of any Goods (and materials in the case of the supply of Services) shall pass to BP according to article 1376 of the Italian Civil Code .

### **9. DRAWINGS AND TECHNICAL DATA**

Technical information (including drawings, specifications, electronically recorded data, computer programs and calculations) and any intellectual property rights therein developed during or ensuing from the performance by the Supplier of its obligations under the PO shall belong to BP.

### **10. TERMINATION**

Without prejudice to any other rights and remedies of BP under this PO or otherwise at law, BP may, without penalty, terminate the PO forthwith by written notice to the Supplier if the Supplier breaches any of the terms of any PO and fails to correct such breach within a period of seven (7) days (or such longer period as BP may agree).

### **11. INTELLECTUAL PROPERTY INDEMNITY**

The Supplier agrees to indemnify and hold BP harmless from and against any loss, liability, damage or claim including but not limited to legal costs incurred by BP as a result of the infringement or alleged infringement of any patent rights, registered or unregistered design, copyright trademark or name or any other intellectual property rights whether Italian or otherwise relating to the Goods and/or Services to be supplied under the PO. Further, at BP's option, the Supplier shall defend at its own expense any suit which if successful would entitle BP to invoke such indemnity.

### **12. INSURANCE**

- 12.1 The Supplier shall take out and maintain with insurers (rated at inception, and for the duration, of the insurance at or above a credit rating level acceptable to BP typically a Standard and Poor rating of A flat) insurance policies adequate to cover its liabilities hereunder and to fulfil any requirements to local government or other appropriate bodies and shall obtain from its underwriters a waiver of all rights of subrogation against BP.
- 12.2 The Supplier shall, if so requested, prior to commencement of the Services or provision of Goods produce to BP evidence satisfactory to BP that such insurance has been effected and will be maintained thereafter as required.

### **13. HEALTH, SAFETY, SECURITY AND ENVIRONMENTAL PROVISIONS**

- 13.1 The Supplier shall at all times perform its obligations under this PO in a safe and responsible manner and shall observe and comply with all applicable laws, rules, regulations, industry standards and the relevant BP safety requirements that Supplier declares to have been provided with or informed about.

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- 13.2 If the Supplier is required to provide Services at the Site, the Supplier shall comply with BP's Health, Safety and Environmental Policy, Regulations and Procedures applicable at the Site. It is the responsibility of the Supplier to ensure that they have a copy of the up to date version of the HSSE Regulations.
- 13.3 The Supplier shall procure that Personnel abide by BP's security regulations and such directions as may be issued by BP's Security Officers when working at the Site.
- 13.4 Supplier shall supply a statement of its own safe working practices, and shall provide evidence as required of the competence and training of persons employed or engaged by the Supplier in connection with this PO.

### **14. SAFETY OF GOODS**

To enable BP to comply with its obligations under applicable health and safety legislation, the Supplier shall provide BP with adequate information about any Goods supplied under this PO, the use for which they are designed and tested and about any conditions necessary to ensure such Goods will be safe and without risk to health when properly handled, stored, transported and used. This information is to be supplied in writing, marked with BP's PO number and relevant item number(s) and addressed to BP as stated in the PO.

### **15. CODE OF CONDUCT**

In connection with Supplier's performance of this PO, the Supplier has read and agrees to act consistently with BP's Code of Conduct which is found at:-

<http://www.bp.com/codeofconduct>

and to adhere to the principles set out therein including the principles of non-retaliation against any person who in good faith raises a concern relating to any matter covered by the Code of Conduct. Any failure to comply with this clause shall be deemed a material breach of this PO.

### **16. ANTI-BRIBERY AND CORRUPTION**

The Supplier agrees and undertakes that in connection with this PO and the transactions contemplated by this PO, it will comply with all applicable laws, rules, regulations, decrees and/or official governmental orders of the Italy. BP expressly prohibits payment of bribes and also payment of any so-called "facilitation" or "grease" payments in connection with BP's business operations by any party engaged to provide goods or services to BP. Therefore, the Supplier represents and warrants that it has complied and shall comply with all anti-money laundering and anti-corruption laws applicable to either party and that it will adhere to the principles of BP's Code of Conduct in connection with the PO. The Supplier represents and warrants that it has not made, offered, promised or authorized and will not make, offer, promise or authorize any improper or illegal payment, gift or other advantage, whether directly or through any other person or entity, to any third party, including any "government official" (i.e. any person holding a legislative, administrative, or judicial office, including any person employed by or acting on behalf of a public agency, a government-controlled enterprise, or a public international organization) or any political party or political party official or candidate for office, for purposes of influencing official actions or decisions or securing any improper advantage in order to obtain or retain business or where it would otherwise be improper for such advantage to be accepted. Except as otherwise disclosed in writing to BP, as of the date of execution of the PO and during the period of the PO, no "government official" is or will become associated with, or will own or presently owns any interest in the Supplier.

### **17. COMPLIANCE WITH LAWS**

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The Supplier shall observe and abide by and shall require its Sub-contractors and Personnel to observe and abide by all applicable laws regulations and bye-laws in relation to the supply of Goods and/or Services including any which may come into force during the period of the PO and shall defend and indemnify BP against any loss, liability, damage or claim including but not limited to legal costs incurred by BP as a result of or in connection with any alleged infringement of such laws, regulations and bye-laws asserted against BP arising out of the performance of the PO by the Supplier or any of its Sub-contractors or Personnel.

### **18.RECORDS AND REPORTS**

19.1 The Supplier shall maintain complete and adequate records of all its operations under the PO and as further required under the PO and shall at all times supply such data and information as will keep BP and its Representatives fully informed of the progress of the Goods and/or Services and of all results currently obtained.

19.2 The Supplier shall from time to time when requested by BP deliver written reports and data to BP and BP shall at all times have complete access to all records and such other data as may be compiled relating to the Goods and/or Services and all such data and records shall be delivered by the Supplier to BP and shall belong exclusively to BP.

### **19.CONFIDENTIALITY**

Unless stated to the contrary, all information obtained by the Supplier in connection with the supply of Goods and/ or Services to BP under the terms of the PO shall be deemed to be confidential information and the Supplier shall ensure that confidential information is not divulged by the Supplier, Sub-contractor(s), Personnel or any by any other of its servants or agents to any third party. Notwithstanding the foregoing, the Supplier is granted permission to share such confidential information with such other parties to the extent that (i) such information needs to be shared to enable the Supplier to fulfil its obligations to BP and/or (ii) to adhere to a formal request of any Italian Authorities. The obligations under this Clause shall continue for twenty-four (24) months running from the completion or termination of the PO.

### **20.PUBLICITY**

The Supplier shall not publish or permit to be published either alone or in conjunction with any other person any information, article, photograph, illustration or any other material of whatever kind relating to the PO, or BP's business generally, or make any use of BP's trademarks or logos without prior reference to and approval in writing from BP. Such consent shall apply to each specific application and relate only to that application.

### **21.ASSIGNMENT AND SUB-CONTRACTING**

Neither party shall assign or sub-contract this PO or any rights, liabilities and obligations hereunder, without the prior written consent of the other, except that BP may assign or sub-let in whole or in part its rights, liabilities and obligations under this PO to any subsidiary or associate of BP p.l.c without the prior consent of the Supplier.

### **22.WAIVER**

No waiver by either party of any provision of the PO shall be binding unless made by formal amendment to the PO. Further, any such waiver shall relate only to such matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach.

### **23.ENTIRE AGREEMENT**

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This PO sets forth the entire agreement between BP and the Supplier and supersedes all previous communications, representations or agreements, either written or oral, between the parties with respect to the subject matter hereof. No conditions or terms contained in any quotations, offers, acknowledgements, letters, advice notes, delivery notes, invoices or other communications of the Supplier shall annul or vary any of the terms and conditions of this PO.

### **24. LAW AND DISPUTE RESOLUTION**

The construction, validity and performance of the Contract shall be governed by Italian Law. Unless otherwise agreed, if any dispute or difference of any kind whatsoever shall arise between the parties in connection with or arising out of the Contract, the same shall be submitted to the Courts of the city of Milan.