

# Order Management **Purchase Order General Terms**

## 1. Definitions and Interpretation

1.1. In these General Terms, the following terms shall have the following meaning:

**'Ariba Network'** means a web based portal for Suppliers to interact and transact with BP in regards with the supply of Goods and/or Services.

**'BP'** means the BP entity stated in the "Bill to" box on the Purchase Order.

**'BP Affiliate'** shall mean the BP entity stated in the "Bill-To Address" box on the front page of this Purchase Order, any "related company" of that company, BP p.l.c. and any company in the "group" of companies owned by BP p.l.c. (and "related company" has the same meaning given to that term in section 2(3) of the Companies Act 1993).

**'Goods and/or Services'** shall mean any goods, services and other items to be provided by the Supplier as detailed in the Purchase Order.

**'GST'** means goods and services tax charged under the GST Act.

**'GST Act'** means the Goods and Services Tax Act 1985.

**'Indemnified Parties'** shall mean BP, BP Affiliates and their respective employees, agents or sub-contractors.

**'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.

**'Purchase Order'** or **'PO'** means a purchase order issued by the BP Affiliate, which incorporates these General Terms.

**'Service Entry Sheet'** means an electronic confirmation document for Services which is submitted by the Supplier via the Ariba Network.

**'Sub-Contractor'** shall mean any party to whom the Supplier has sub-let the supply of Goods and/or Services or any portion thereof and each of their respective subcontractors.

**'Tax Invoice'** means the definition given to that term in section 2 of the GST Act

## 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 the PO.

## 3. 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 the PO. Extra charges submitted in respect of the PO will not be accepted without the issue of a formal amendment to the PO.

## 4. Service Entry Sheet, Invoice Submission and Payment

4.1. When BP raises a PO for Services, the Supplier shall submit Service Entry Sheet to BP for verification and approval following the completion and acceptance of Services.

4.2. BP shall pay for the Goods and/or Services upon receipt of an invoice in accordance with clause 4.3.

4.3. The Supplier shall submit valid tax invoices via the Ariba Network in respect of the Goods and/or Services delivered as appropriate following delivery or completion of the Goods and/or Services.

4.4. Invoices shall be submitted electronically via the Ariba Network referencing the corresponding PO number and an approved Service Entry Sheet for Services.

4.5. All invoices shall be supported by the relevant substantiation document as appropriate to evidence the sums shown.

4.6. Payment will be effected in the currency stated in the PO, the date the invoice is received in Ariba plus the agreed payment terms stated in the PO. Payment is deemed to have been made when the order of payment is received by the Supplier's bank.

4.7. All payments will be made to the Supplier by electronic funds transfer into the bank account nominated by the Supplier.

4.8. Further reference should be made to full tax terms set out in clause 5, which shall apply to all charges invoiced under the PO as if stated in full in this clause 4.8.

## 5. Taxes

5.1. Terms used in this clause not defined elsewhere in these General Terms have the meanings given to them in the GST Act.

- 5.2. Unless otherwise expressly stated, all monetary consideration to be provided under or in accordance with this Purchase Order is exclusive of GST.
- 5.3. To the extent that the consideration to be provided for any supply made under or in accordance with the Purchase Order is: (a) expressly stated to be exclusive of GST; or (b) non-monetary, the recipient of the taxable supply must pay to the Supplier (at the same time as payment for the taxable supply is required to be made in accordance with the Purchase Order) an additional amount equal to the GST payable in respect of the consideration to be provided under (a) or (b), as appropriate, for the taxable supply.
- 5.4. The recipient's obligation to pay the GST component of any consideration under the Purchase Order is subject to the recipient receiving a valid tax invoice in respect of the supply at or before the time of payment.
- 5.5. If the Purchase Order requires BP or the Supplier to pay for, reimburse or contribute to any expense, loss or outgoing (reimbursable expense) suffered or incurred by the other party, the amount required to be paid, reimbursed or contributed by the first party will be the sum of the amount of the reimbursable expense net of input tax credits (if any) to which the other party is entitled in respect of the reimbursable expense and any GST payable by the other party.
- 5.6. Except as set out in this clause 5 in respect of GST, all taxes, duties and charges (including fines, penalties and interest) that are or may be imposed or levied in New Zealand or overseas in connection with the Purchase Order will be borne by Supplier and will not cause any increase to the fees payable by BP in relation to the Purchase Order.

## 6. Warranties

- 6.1. The Supplier warrants that all Goods and Services shall be provided with reasonable care and skill and in accordance with generally recognised commercial practices and standards by appropriately trained, competent and qualified Personnel and shall:
  - (a) conform to any specification in the PO;
  - (b) be of satisfactory quality, free from defects and fit for their intended purposes (whether such purpose is implied or expressly stated in the PO);
  - (c) be suitable for use by BP, including if applicable, inclusion in BP products; and
  - (d) 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 the following periods:

- (a) In the case of Goods and/or Services - the expiry of any warranty period normally provided by the Supplier for Goods or Services of the type supplied or a twelve month period commencing on the date of delivery of the Goods to BP or date of completion of the Services, whichever is the greater; or
  - (b) In the case of Goods to be commissioned - the expiry of a twelve month period from the date of commissioning or eighteen months from the date of delivery, whichever is the shorter.
- 6.3. 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.
  - 6.4. The Supplier warrants that for all Goods delivered under the PO, the Goods are not subject to any mortgage, lien, encumbrance, security interest or other charge whatsoever and the Supplier indemnifies BP from any claim or demand against BP that might defeat the title to the Goods as warranted by the Seller under this clause 6.4.
  - 6.5. BP's rights hereunder are in addition to and not in substitution of any express, implied statutory or other rights. Without limiting the above, if a manufacturer or importer provides additional warranties in respect of any Goods, the Supplier must pass on the benefit of those warranties and assist BP in enforcing any rights it or the Supplier may have under those warranties for the benefit of BP.

## 7. Supplier's General Obligations

- 7.1. The Supplier must, at no additional cost to BP:
  - (a) provide all labour, tools, plant, equipment and materials required by the Supplier to carry out its duties pursuant to the PO;
  - (b) ensure that all tools, plants and equipment used by the Supplier in providing the Goods or Services or provided to BP are fit for their intended purpose;
  - (c) ensure all Personnel employed on the Services or provision of Goods are properly qualified, skilled, experienced and competent in their respective callings to a recognised industry standard as are necessary to adequately perform its obligation in meeting BP's requirements; and
  - (d) provide the Services and Goods in a safe, efficient and competent manner and in accordance with any applicable laws rules, regulations, accepted industry standards and relevant BP policies or procedures.

## 8. 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. BP may reject any Goods and/or Services that do not comply with the requirements and specification set out in the PO.

## 9. Delivery and Ownership

- 9.1. Supplier agrees to deliver the Goods or Services to the "Ship-To Address" (unless otherwise agreed by the parties or specified in the Line Order), with those protective materials reasonably necessary for the type of Goods to be delivered and within any time periods set out in the PO. Strict compliance with such requirements is of the essence of the PO.
- 9.2. 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 redelivery of Goods and/or Services under the PO at no additional cost to BP.
- 9.3. 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 on delivery or if earlier when payment or part payment for such Goods or materials is made by BP.
- 9.4. The Supplier grants BP and each BP Affiliate a perpetual, irrevocable, royalty free, transferable, non-exclusive license to use, resupply, distribute and otherwise exploit the Goods or any deliverable provided to BP.
- 9.5. If the Goods are not received or the Services are not performed by the Delivery Date stated in the Purchase Order, BP may cancel the Purchase Order in respect of all or part of the uncompleted work and make payment only for those Goods received and Services performed.

## 10. 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 and no alterations to the technical information will be permitted without BP's prior written approval.

## 11. Term and Termination

- 11.1. The PO commences on the earlier of: (i) the date the PO is accepted by the Supplier; or (ii) the date the Supplier first took any step to fulfilling its obligations under the PO. Where the PO has retrospective effect, the Supplier will only be entitled to charge BP for any Goods delivered or services performed prior to the date on the PO, where specifically agreed to by BP in writing. Unless the PO is terminated earlier in accordance with the PO, it will expire on completion of the Services and delivery of all Goods.
- 11.2. Despite any of the other terms and conditions of the PO, BP may at any time, without prejudice to any other rights and remedies of BP under the PO or otherwise at law, terminate the PO for convenience, in whole or in part, with immediate effect by notice in writing to the Supplier.
- 11.3. Subject to clause 11.4 and 11.5, where BP terminates the PO for convenience and, as at the date of termination, the Supplier has carried out or performed work under the PO:
  - (a) where the PO is for the supply of Goods, BP will pay to the Supplier the lesser of any actual out-of-pocket costs incurred by the Supplier as at the date of termination; or
  - (b) where the PO is for the supply of Services, BP will pay the Supplier the reasonable value of the work actually performed under the PO as at the date of termination.
- 11.4. In any event, where BP makes a payment to the Supplier pursuant to clause 11.3:
  - (a) no circumstances will that amount exceed the PO price; and
  - (b) the Supplier will not be entitled to any further costs or damages howsoever arising.
- 11.5. Where BP terminates the PO for convenience and the Goods comprise standard stock material, BP will not be required to pay the Supplier any sum by way of compensation.

## 12. Liability and Indemnity

- 12.1. The Supplier shall indemnify and hold harmless the Indemnified Parties from and against any and all liabilities for losses, damages, costs (including but not limited to legal costs), expenses, claims, demands or causes of action (including negligence) arising out of, or in any way connected with the Supplier's performance or non-performance of this Contract or relevant PO including, without limitation for:
  - (a) any damage to or loss of real or personal property of any party;
  - (b) death, illness or personal injury to any person;
  - (c) any damage to or loss of real or personal property; or

- (d) any loss, liability or claim that results from an actual or alleged infringement of an intellectual property right relating to Goods and/or Services supplied under the PO;
  - (e) third party claims against an Indemnified Party; and
  - (f) losses, damages, costs (including but not limited to legal costs), expenses, claims, demands or causes of action or liabilities arising out of, or in any way connected with a breach of the PO;
- to the extent arising out of or in relation to any act or omission of the Supplier, Sub-Contractors or Personnel whether accidental or not.

### 13. Insurance

- 13.1. Prior to delivering any Goods, commencing any Services or other work in relation to the PO, the Supplier shall take out and maintain insurance policies with insurers which are rated (at inception, and for the duration, of the insurance or other cover) at or above a credit rating level acceptable to BP (typically a Standard and Poor rating of A flat) in order to ensure the insurance company is adequate to cover its liabilities hereunder and to fulfil any requirements to local government or other appropriate bodies. In particular the Supplier shall, at no additional expense to BP, effect and maintain insurance covering but not limited to:
- (a) ACC Workplace Cover levies and any other taxes or levies payable under the Injury Prevention, Rehabilitation and Compensation Act 2001;
  - (b) Public Liability Insurance and, if the PO relates to the provision of Goods (other than as a minor and incidental part of providing a service) and the Suppliers Public Liability Insurance does not provide cover for the Goods, Product Liability Insurance covering claims and liabilities in respect of the death of or accident or injury to any person or any loss or damage, destruction to or involving any property (including that of BP arising out of the negligence of the Supplier) including any consequential, special or contingent damage arising therefrom that the Supplier may be liable for under the law. The insurances must provide cover in respect of each and every claim to an amount not less than \$10,000,000 and the Public Liability Insurance must be unlimited as to the number of claims during the period of insurance and the Products Liability Insurance can be in the annual aggregate during the period of insurance;
  - (c) unless BP waives this requirement in writing, Professional Indemnity Insurance of not less than \$5,000,000 in respect of any one incident and in the aggregate any one period of insurance;
  - (d) where the Supplier uses any motor vehicle in relation to the PO and the Suppliers Public Liability Insurance cover does not provide cover for damage to property arising from the use of such motor vehicle, Motor Vehicle Third Party Liability Insurance in respect of all motor vehicles used in connection with the PO; and
  - (e) where any Goods (other than minor Goods that Supplier can replace from its inventory), or any other property of BP (or another person at the direction of BP) are transported in relation to the PO, Goods and Transport Insurance covering those Goods (or other property) whilst they are in transit notwithstanding that BP may have paid for the Goods.
- 13.2. The Supplier shall, if so requested in writing, prior to commencement or during the provision 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. The parties acknowledge that the insurances required by this clause 13.1 shall not otherwise limit the rights, liabilities or obligations of the parties under the PO.
- 13.3. All insurances arranged by the Supplier shall be on a "losses occurring" basis (excluding Professional Indemnity) and will not be varied, cancelled or allowed to lapse until 30 days of notice of the intention to so vary, cancel or lapse shall have been given to BP. The Professional Indemnity policy must be maintained for 7 years after expiry of the PO (unless the Supplier obtains run off insurance covering that period).

### 14. Health, Safety, Security and Environmental Provisions

- 14.1. The Supplier shall at all times perform its obligations under the PO in a safe and responsible manner and must ensure that it and its Personnel observe and comply with all applicable laws, rules, regulations, industry standards and the relevant BP safety requirements.
- 14.2. If the Supplier is required to provide Services at a BP location, the Supplier must ensure that it and its Personnel comply with BP's Health, Safety, Security and Environmental Policy, Regulations and Procedures applicable at the BP location.
- 14.3. 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 BP location.

### 15. 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 the 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.

## 16. Code of Conduct and Anti-Bribery and Corruption

- 16.1. In connection with the Supplier's performance of this Contract, the Supplier agrees to act consistently with BP's Code of Conduct which is found at: [www.bp.com/codeofconduct](http://www.bp.com/codeofconduct) and to adhere to the principles set out therein including the principles of non-retaliation against "whistle blowers". Any failure to comply with this clause shall be deemed a material breach of this Contract.
- 16.2. 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-corruption laws applicable to either party and that it will comply with the principles of BP's Code of Conduct in connection with this Contract.
- 16.3. The Supplier represents and warrants that it has not made, offered, promised or authorised and will not make, offer, promise or authorise 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 organisation) 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.
- 16.4. Except as otherwise disclosed in writing to BP, as of the date of execution of this Contract and during the term of this Contract, no "government official" is or will become associated with, or will own or presently owns any interest in the Supplier. At the request of BP, the Supplier shall allow BP to review or audit the Supplier's books, records and files relating to this Contract and the Supplier will provide information and answer any reasonable questions that BP may have relating to:
- (a) the Supplier's performance of this Contract in order to assess compliance with this clause 16, and
  - (b) any ongoing background checks BP may wish to make while this Contract is valid in relation to the Supplier.
- 16.5. BP shall have the right to terminate this Contract and/or suspend payment hereunder with immediate effect if BP reasonably believes in good faith that any of the agreements, undertakings, representations or requirements set forth in this clause 16.5 have not been complied with or fulfilled by the Supplier.

## 17. Business and Human Rights

- 17.1. The Contractor confirms that it has carefully reviewed the BP Business and Human Rights Policy which is available at the [www.bp.com](http://www.bp.com) website. In connection with the Contractor's performance of the Contract and consistent with the policy, the Contractor shall conduct its business in a manner that respects the rights and dignity of all people and internationally recognized human rights, including without limitation:
- (a) not employing, engaging or otherwise using forced labour, trafficked labour or child labour; nor engaging in or condoning abusive or inhumane treatment of workers;
  - (b) providing equal opportunities, avoiding discrimination and respecting freedom of association of workers, in each case within the relevant national legal framework; and
  - (c) mitigating or avoiding adverse impacts to communities arising from the Contractor's activities to the extent practicable.

## 18. Foreign Trade Control Laws

- 18.1. Without limiting clause 7.1(d), the Supplier shall comply, and shall ensure that its Sub-Contractors comply, with all applicable export control, trade embargo and other foreign trade control laws, rules and regulations, including but not limited to the European Dual-Use Export Control Regulation (EC) 428/2009, the United States Export Administration Regulations, the United States International Traffic in Arms Regulations and similar laws of the territory applicable to the PO (together "Trade Restrictions"), relating to the performance of its obligations hereunder. Failure by Supplier and Sub Contractors to comply with applicable Trade Restrictions shall constitute a material breach of the PO. The Supplier shall indemnify and hold harmless BP against any loss, liability, damage or claim including but not limited to legal costs incurred by BP relating to any failure by it to comply with Trade Restrictions.
- 18.2. Except as may be otherwise expressly stated in the PO or agreed in writing by the Parties, the Supplier shall be solely responsible for applying for and obtaining appropriate governmental authorizations for the export and import of any equipment, software, technology goods or services to or for the benefit of BP. Upon reasonable request, BP shall provide the Supplier, at no cost to BP, with reasonable assistance in determining the application of applicable Trade Restrictions and in applying for necessary authorizations and completing required formalities. BP assumes no responsibility or liability for the Supplier's failure to properly determine applicable Trade Restrictions, obtain necessary authorizations or comply with required formalities.

18.3. The Supplier represents and warrants that it, its affiliates, and its directors, officers, key employees or agents are not subject to restriction under any national, regional or multilateral trade or financial sanctions under applicable trade control laws and regulations.

18.4. The provisions of this clause 18 shall survive the expiration or termination of this PO for any reason.

## 19. Records and Reports

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

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.

## 20. Audit

BP shall have the right to audit the relevant records and accounts of the Supplier or its Sub-Contractors in relation to reimbursable items paid for by BP under the PO at any time until the expiry of twenty four (24) months following the settlement of the final account. Any incorrect payment(s) made by BP shall be adjusted in accordance with the findings of the audit. The Supplier shall make all relevant records and accounts available and give the auditors all reasonable assistance and ensure that its Sub-Contractor(s) comply with such provisions.

## 21. Digital Security

21.1. The Supplier shall implement and maintain appropriate:

- (a) technical and organisational measures; and
- (b) adequate security programmes and procedures,

to prevent any accidental, unauthorised or unlawful access to, processing, destruction, loss, damage or disclosure of any information obtained by the Supplier in connection with the supply of Goods and/ or Services to BP under the terms of the PO, including any personal information (as defined in applicable laws), ("**BP Data**") and protect the Supplier's IT systems used to provide the Goods and/or Services in accordance with applicable laws and industry best practice.

21.2. The Supplier shall ensure that the measures outlined in clause 21.1 above include:

- (a) boundary firewalls and internet gateways to protect its networks and IT systems from the internet and other external networks;
- (b) secure configuration of networks, IT systems, applications and devices, including encryption of portable devices and removable media;
- (c) physical and logical access controls that restrict access to only authorised users to the extent required to perform the required Services for BP;
- (d) malware protection software that is designed to prevent the introduction of malware into Supplier IT systems, networks and devices;
- (e) patch management practices to identify, assess and apply applicable security patches to the IT systems, applications and devices; and
- (f) training and awareness for Personnel in information security and the handling of BP Data in accordance with the terms of this PO.

21.3. The Supplier shall investigate all suspected accidental, unauthorised or unlawful access to, processing, destruction, loss, damage or disclosure of BP Data and/or any cyber-attacks on the Supplier's IT systems ("**Security Incident**") and promptly notify BP, via soc@bp.com, of any confirmed Security Incident.

21.4. If an incident referred to in clause 21.3 occurs due to the Supplier's act or omission, the Supplier shall, at its own cost, provide all necessary assistance as requested by BP, including with notifications that may be required under applicable law.

## 22. 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 such information needs to be shared to enable the Supplier to fulfil its obligations to BP. The obligations under this Clause shall continue notwithstanding the completion or termination of the PO.

23. **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.

24. **Assignment and Sub-Contracting**

Neither party shall assign or sub-contract the 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 the PO to any subsidiary or associate of BP p.l.c. without the prior consent of the Supplier.

25. **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.

26. **Entire Agreement**

The PO and these General Terms, along with any signed agreement between BP and the Supplier for the supply of the Goods and/or Services the subject of this PO, set 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. To the extent that any signed agreement between BP and the Supplier for the supply of the Goods and/or Services the subject of this PO conflicts with the PO, the terms of the agreement will prevail. 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 these General Terms.

27. **Applicable Law**

The PO shall be governed by the laws of New Zealand and the parties submit to the Courts of that jurisdiction.