

## Terms and Conditions for the Purchase and Supply of Goods and Associated Services

This Agreement for the Purchase and Supply of Goods and Associated Services ("**Agreement**") is dated

Date	
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and is made between:

(1) <b>Halfords Limited</b>		(company no. <b>00103161</b> )
whose registered office is at		Icknield Street Drive, Washford West, Redditch, B98 0DE
		( <b>"Halfords"</b> ); and
(2)		(company no. )
incorporated in		
whose registered office is at		
		(the <b>"Supplier"</b> ).
		(together the <b>"Parties"</b> )

### Background

- The Parties have agreed that the Supplier will supply Goods and any associated Goods Related Services (as both defined below) to Halfords.
- It is agreed that the supply by the Supplier of Goods and any Goods Related Services (as defined in clause 1) shall be governed in accordance with the terms and conditions set out below.
- The parties contemplate that the Supplier will supply the Goods and any associated Goods Related Services to Halfords in a series of supplies over time rather than a single supply.

### Payment Terms

Agreed Payment Terms			
Agreed Currency for Payment			
Prompt Payment Discount	%	For payments made within	days

Signed for and on behalf of <b>Halfords Limited</b> :	Signed for and on behalf of the <b>Supplier</b> :
..... <b>Name</b>	..... <b>Name</b>
..... <b>Signature</b>	..... <b>Signature</b>
..... <b>Position</b>	..... <b>Position</b>

## Terms and Conditions for the Purchase and Supply of Goods and Associated Services

### 1. Definitions

The following expressions shall bear the following meanings where used in this Agreement:

<b>Acceptance Tests</b>	means the acceptance tests applicable to the Goods as described in the Specification;
<b>Applicable Law</b>	means the laws of England and Wales and the European Union and any other laws or regulations, regulatory policies, guidelines or industry codes which apply to the provision of Goods and / or Goods Related Services;
<b>Business Day</b>	means a day (other than a Saturday, Sunday or public holiday in England);
<b>Change of Control</b>	shall be interpreted in accordance with s.416 of the Income and Corporation Taxes Act 1988;
<b>Commencement Date</b>	means either (i) the date set out at the start of this Agreement or (ii) if no such date is stated, the date on which Goods are first ordered by Halfords;
<b>Data Protection Legislation</b>	means all relevant and applicable laws relating to the processing, privacy and use of Data including but not limited to the Data Protection Act 2018, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the General Data Protection Regulation ("GDPR") (EU) 2016/679 and/or any corresponding, equivalent or replacement laws, regulations or Codes of Conduct.  Defined terms used in these Terms and Conditions (including but not limited to "Data Controller", "Data Processor", "Data Subject" and "Personal Data") shall have the same meaning as those terms in Data Protection Legislation;
<b>Delivery</b>	means the method for, and time at which the Goods and or Goods Related Services are delivered to Halfords under clause 9;
<b>Delivery Date</b>	means the delivery date set out in the Order;
<b>Delivery Location</b>	means the delivery location(s) set out in the Order;
<b>Direct Losses</b>	means all damages, losses, liabilities, claims, actions, costs, levies, taxes, expenses (including the reasonable cost of legal or professional services) proceedings, demands and charges whether arising under statute, contract or at common law but excluding Indirect Losses;
<b>Electronic Format</b>	means email, fax or Electronic Data Interchange;
<b>Event of Insolvency</b>	means any of the following events:  (i) a party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act

1986 or (being a partnership) has any partner to whom any of the foregoing apply;

(ii) a party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;

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

(iv) a party (being an individual) is the subject of a bankruptcy petition or order;

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

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

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

(viii) a person becomes entitled to appoint a receiver over the assets of a party or a receiver is appointed over the assets of that party;

(ix) any event occurs, or proceeding is taken, with respect to a party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in paragraphs (i) to (viii) above

(x) a party suspends or ceases, or threatens to suspend, or cease, to carry on all or a substantial part of its business; or

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

## **Extended Range Goods**

means Goods which are not held in stock by Halfords, but are available to Halfords' customers via any of Halfords websites or through special order in Halfords stores, and which will be delivered either direct to the Halfords customer or to Halfords store for collection by the customer;

## **Faulty Goods Recall**

means the Goods are found to be not fit for the purpose for which the Goods are ordinarily used and/or defective in design or workmanship;

## **Forecast**

means any information provided by Halfords to the Supplier for the purpose of assisting the Supplier with forward planning for the provision of Goods to Halfords;

## **Goods / Product**

means (i) the goods to be supplied to Halfords by the Supplier as set out in Schedule 1 or (ii) the goods supplied to Halfords by the Supplier pursuant to an Order;

## **Good Industry Practice**

means the exercise of the degree of skill and care which would be expected from a skilled and experienced person engaged in the same type of undertaking under the same or similar circumstances;

## **Goods Related Services**

means the services to be supplied or work to be done by the Supplier in connection with the supply of Goods as detailed in Schedule 1;

## **Goods Stock Recall**

means Goods recalled by reason of them being substituted by the Supplier through the introduction of a replacement range of goods;

<b>Halfords IPR</b>	means any Intellectual Property Rights owned by or licensed to or accrued by Halfords;
<b>Indirect Losses</b>	means loss of profits, loss of use, loss of production, loss of business, loss of business opportunity or any claim for consequential loss or for indirect loss of any nature;
<b>Insurance Policies</b>	means the insurance policies described in clause 26;
<b>Intellectual Property Rights</b>	means patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, trade names and domain names, rights in get-up, rights to goodwill or to sue for passing off, rights in designs, rights in computer software, database rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;
<b>Materials</b>	means any and all works of authorship and materials developed, written or prepared by the Supplier in relation to this Agreement (whether individually, collectively or jointly with Halfords and on whatever media) including any and all reports, studies, data, diagrams, charts, specifications, contractual and pre-contractual documents and all drafts thereof and all working papers relating thereto;
<b>Materials IPR</b>	means any Intellectual Property Rights in the Materials;
<b>New Line Form</b>	means the form attached at Schedule 10;
<b>Order</b>	means an order for provision of Goods and / or Goods Related Services by the Supplier in the form set out in Schedule 6;
<b>Packaging</b>	means the packaging for the Goods;
<b>Price</b>	means the price payable by Halfords to the Supplier for the Goods or Goods Related Services as set out in Schedule 1 and/or the Order;
<b>Quality Recall</b>	means where Halfords determines, in its reasonable discretion, that Goods are to be recalled by Supplier on the basis that the level of returns of such Goods by Customers have exceeded Halfords standard returns expectations for goods of equivalent nature;
<b>Quarter</b>	means a period of three calendar months;
<b>Recall Conditions</b>	means the terms and conditions governing the return of Goods by Halfords to Supplier as set out in Schedule 4;
<b>Recall Event</b>	means a Safety Recall, Good Stock Recall and/or Quality Recall;
<b>Regulatory Authority</b>	means a governmental or other competent body with powers to regulate either of the parties;
<b>Safety Recall</b>	means a recall of Goods as a result of health and / or safety issues which arise in relation to the Goods and which are determined either by a Regulatory Authority, the Supplier or Halfords;

<b>Samples</b>	means samples of Goods and / or Packaging provided to Halfords by the Supplier;
<b>Specification</b>	means the technical or other description of the Goods or Goods Related Services as set out in Schedule 1 and / or any other description given in quotations, estimates or sales materials;
<b>Supplier IPR</b>	means any Intellectual Property Rights owned by or otherwise in the possession of the Supplier at the Commencement Date excluding any Materials IPR or Halfords IPR;
<b>Supplier Personnel</b>	means all employees, staff, agents and consultants of the Supplier and of any subcontractors who are engaged in the provision of the Goods or Goods Related Services from time to time;
<b>Territory</b>	means the territory(ies) specified in the Order or, if no such specification is made, the United Kingdom and Eire;
<b>Warranty</b>	means the Supplier's warranty terms in relation to Goods.

- 1.2 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and includes its personal representatives, successors or permitted assigns.
- 1.3 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.4 Words in the singular shall include the plural and vice versa.
- 1.5 A reference to one gender shall include a reference to the other genders.
- 1.6 Any words that follow 'include', 'includes', 'including', 'in particular' or any similar words and expressions shall be construed as illustrative only and shall not limit the sense of any word, phrase, term, definition or description preceding those words.
- 1.7 Any clause, schedule or other headings in this Agreement are included for convenience only and shall have no effect on the interpretation of this Agreement.
- 1.8 A reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted.
- 1.9 A reference to writing or written includes faxes and e-mail.
- 1.10 A reference to a clause or a Schedule shall, unless otherwise expressly provided, be to a clause or Schedule within this Agreement.

## 2. Background

- 2.1. This Agreement commences on the Commencement Date.
- 2.2. During the Term, the Supplier agrees to supply, and Halfords agrees to purchase, Goods on the terms set out in this Agreement. The procedure for ordering Goods is set out in clause 12.
- 2.3. This Agreement, together with the Order, the Specification, the Schedule and any Addendum attached thereto, shall form the entire agreement between Halfords and the Supplier to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. If the Supplier's documentation seeks to incorporate its own terms and conditions, and/or contains terms or conditions additional to or at variance with this Agreement, every additional or varying term or condition shall have no effect.

- 2.4. In the event of any conflict between any or all of the Order, Specification, the Schedule and any Addendum or this Agreement, the conflict shall be determined in the order in which the documents are referred to in this clause so that a term contained in a document earlier in the list shall have priority over one contained in a document later in the list.
- 2.5. No alterations, modifications or amendments to the Order or the Specification will be accepted, valid or enforceable unless and until it is recorded in writing and signed by duly authorised representatives of both parties.
- 2.6. Halfords may update these terms and conditions from time to time on notice to the Supplier and shall either make a copy available online at [www.halfordscompany.com](http://www.halfordscompany.com) or will send a copy to the Supplier directly.
- 2.7. The Order constitutes an offer by Halfords to purchase the Goods or Goods Related Services from the Supplier in accordance with this Agreement. The Order shall be deemed to be accepted on the earlier of: a) the Supplier issuing a written acceptance of the Order, or b) the Supplier doing any act consistent with fulfilling the Order, at which point the Agreement shall come into existence on the terms of the Agreement.
- 2.8. Each clause in this Agreement shall apply to both Goods and Goods Related Services except where the application to one or the other is specified.

### 3. Duration

- 3.1. This Agreement shall remain in force until it is terminated in accordance with clause 28, save that any Order made by Halfords or otherwise in existence at or before the termination of this Agreement shall remain in force until such Order is fulfilled in accordance with the terms of this Agreement.

### 4. Samples

- 4.1. If requested to do so by Halfords, the Supplier shall provide Halfords with sufficient quantities of Samples for approval as Halfords may reasonably require. The Supplier shall send the requested samples to Halfords together with a completed Sample Submission Form as set out in Schedule 3. The Supplier must also make sample Packaging available to Halfords for approval and barcode verification.
- 4.2. The Supplier warrants that all Goods and / or Packaging shall conform to any Samples provided to and approved by Halfords. The Supplier shall not make any changes to Goods and / or Packaging without the prior written consent of Halfords.
- 4.3. The costs of producing and delivering Samples to Halfords and of returning Samples to Supplier shall be borne by Supplier.

### 5. The Goods

- 5.1. The Supplier shall ensure that the Goods and (if applicable) the Packaging shall:
  - a. be of satisfactory quality (within the meaning of the Sale of Goods Act 1979 and Consumer Rights Act 2015) and fit for any purpose held out by the Supplier or made known to the Supplier by Halfords, expressly or by implication, and in this respect Halfords relies on the Supplier's skill and judgment;
  - b. conform in all material respects with their description, Specification and any Samples;
  - c. be new and not used or reconditioned in any way;

- d. where applicable, be free from defects in design, materials and workmanship and remain so for the period of any applicable Warranty; and,
  - e. conform in all respects with any Applicable Law.
- 5.2. Halfords rights under this Agreement are in addition to the statutory conditions implied in favour of Halfords by the Sale of Goods Act 1979 (as amended by the Sale and Supply of Goods Act 1994 and Consumer Rights Act 2015). Acceptance of Goods shall not prejudice any of Halfords rights under such legislation thereafter.
- 5.3. The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Agreement in respect of the Goods.
- 5.4. The Supplier shall allow Halfords or its duly authorised representatives to make any inspections or to carry out any test as it may reasonably require during the manufacture or development of the Goods. The Supplier shall, on reasonable notice, allow Halfords or its duly authorised representatives, access to the Supplier's premises free of charge for such purposes. No approval given by Halfords during such inspections or tests shall be deemed to constitute acceptance by Halfords of the Goods. If following such inspections or tests Halfords, in its reasonable opinion, informs the Supplier that it is not satisfied that the Goods will comply in all respects with the Order or the terms of this Agreement, the Supplier shall take such steps as are necessary to ensure compliance prior to delivery of the Goods.
- 5.5. Halfords shall not be deemed to have accepted the Goods (or any instalment of the Goods) until:
- a. it has had a reasonable time to inspect the Goods following delivery; or
  - b. (if applicable) the Goods have successfully passed the Acceptance Tests.
- 5.6. If the Goods (or any instalment of the Goods) do not comply with the Order, Specification, Sample or the terms of this Agreement, then Halfords may reject all or any of the Goods which do not comply and in such circumstances, if required by Halfords in writing, the Supplier shall:
- a. repair or replace the non-conforming Goods such that they do conform to the Specification, Sample or other terms of this Agreement; or
  - b. provide Halfords (at its option) with a full refund or credit in respect of any payment made for the non-conforming Goods plus any delivery, installation, maintenance or associated costs incurred by Halfords as a result of the non-conforming Goods.
- 5.7. Where applicable, in addition to the terms and conditions set out in this Agreement, the Supplier shall provide the Extended Range Goods in accordance with Schedule 7.

## 6. Regulatory

- 6.1. If the Supplier provides Goods that consist of or include electrical or electronic equipment then the Supplier shall manage that equipment and any associated consumables at the end of life in accordance with the Waste (Electrical and Electronic Equipment) Regulations 2006 ("WEEE").
- 6.2. If Halfords incurs any levies or taxes ("Environmental Levies") by virtue of it being deemed to be a "Producer" for the purposes of the WEEE regulations, Directive 2006/66/EC on batteries and accumulators and waste batteries and accumulators partially implemented by the Batteries and Accumulators (Placing on the Market) Regulations 2008, Producer Responsibility Obligations (Packing Waste) Regulations 2007(as amended) or the Packaging (Essential Requirements) Regulations 2003(as amended) (together "Environmental Regulations") then the Supplier shall indemnify and keep Halfords indemnified in full in relation to any such Environmental Levies and shall reimburse such amounts to Halfords on demand either (at Halfords' sole discretion) by way



of a discount against applicable Orders made by Halfords or by payment to Halfords of such amounts due.

- 6.3. The Supplier shall promptly provide, at its cost, all such information as Halfords may reasonably require regarding
- a. the environmental impact of any Goods supplied under an Order;
  - b. the compliance by the Supplier of its obligations under this clause;
  - c. any requirements which Halfords may have to enable Halfords to deal with or satisfy any compliance or customer-related issues.
- 6.4. The Supplier shall indemnify and keep indemnified Halfords in respect of all Direct Losses incurred by it as a result of a failure by the Supplier to comply with this clause.

## **7. Labelling and Packaging**

- 7.1. Where Supplier provides Goods in Packaging bearing the Halfords name or trade mark ("Own Brand Goods") Halfords shall not be obliged to continue ordering Own Brand Goods from the Supplier for a period which corresponds to the quantity of Packaging that the Supplier has prepared and holds in inventory.
- 7.2. If the Supplier delivers Goods in Packaging that has not been approved by Halfords and/or does not comply with any Sample which has been approved by Halfords in accordance with clause 4.2 above, Halfords shall be entitled at its sole discretion to either:
- a. invoice the Supplier up to 25% of the cost of the Goods bearing the defective packaging and such invoice value will be deducted from the next payment to the Supplier;
  - b. require the Supplier to raise a credit note up to 25% of the cost of the Goods bearing the defective packaging; or
  - c. reject the Goods bearing the defective packaging and require that they be redelivered in the correctly approved Packaging.
- 7.3. The Supplier shall throughout the term of this Agreement comply with all applicable Packaging legislation relating to the Goods. In addition, the Supplier shall, without additional cost to Halfords, give a preference to the use of recycled materials in the manufacture of the Packaging and shall use all reasonable endeavours to minimise the Packaging used. The Supplier shall review and revise its packaging specifications on at least an annual basis to ensure that it contains no unnecessary limitations on the use of recycled materials.

## **8. Import and export licences**

- 8.1. The Supplier will promptly obtain and maintain all licences, clearances and other consents that are necessary for the supply of the Goods (including import licences).
- 8.2. Without limiting clause 8.1, the Supplier will at its own cost provide to Halfords, or (where local laws or regulations require Halfords to do so) assist Halfords in procuring, any documents necessary under applicable laws and regulations for the Supplier to export the Goods to the Delivery Location in accordance with such laws and regulations.



## 9. Delivery

- 9.1. The Parties hereby confirm that Incoterms® 2020 apply to all Goods ordered pursuant to this Agreement and that, unless otherwise agreed between the parties and stated in the New Line Form, all Goods shall be transported on a Delivered Duty Paid (DDP Incoterms® 2020) basis.
- 9.2. The Supplier shall ensure, at its sole cost and expense, that:
- a. the Goods are properly packaged and secured in such manner as to enable them to reach the Delivery Location(s) in good condition;
  - b. each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number, the type and quantity of the Goods, where applicable the code number of the Goods, the Advance Shipping Number, special storage instructions and, if the Goods are being delivered by instalments, the outstanding balance of Goods remaining to be delivered;
  - c. it complies with the Halfords Supplier Standards Manual set out at Schedule 8;
  - d. each pallet containing Goods is clearly labelled with the Order number, the net, gross and tare weights, a description of the contents, any other details as required by Halfords or Applicable Laws (including, without limitation, the Producer Responsibility Obligations (Packing Waste) Regulations 1997 and the Packaging (Essential Requirements) Regulations 1998);
  - e. all containers of hazardous Goods (and all documents relating thereto) bear prominent and adequate warnings in accordance with Applicable Laws;
  - f. it provides Halfords with the following documents on or before Delivery;
    - i the certificate of origin for the Goods;
    - ii the export license or certificate;
    - iii the test or quality certificate; and,
    - iv any transport or customs documents.
- 9.3. The Supplier shall, at no cost to Halfords, deliver the Goods on the date and to the Delivery Location(s) specified in the Order.
- 9.4. Unless otherwise agreed or stated pursuant to the applicable Incoterms® 2020, delivery of the Goods shall be completed on (i) the conclusion of unloading the Goods at the final Delivery Location or (ii) if the Supplier is instructed by Halfords to deliver the Goods to a designated third party consolidator for onward transition to the Delivery Location, then Delivery under this clause shall be deemed to have occurred when the third party consolidator unloads the Goods at the final Delivery Location. In such circumstances, the Supplier is responsible for ensuring that such third party delivers the Goods at the delivery time and at the Delivery Location(s) specified on the Order.
- 9.5. On despatch of any consignment of the Goods the Supplier shall deliver to Halfords at the Delivery Location an advice note specifying the method of transport to be used in delivery, the place and date of despatch, the number of packages, their weight and volume. If delivery is to a Delivery Location not occupied by Halfords, the Supplier shall send the advice note to the third party and send a copy to Halfords. If any of the Goods are damaged in transit or if, having been placed in transit, any of the Goods fail to be delivered to the Delivery Location(s), the Supplier shall either

replace or repair such damaged or undelivered Goods as soon as possible and at its own expense.

9.6. If the Supplier delivers either more, or less, than the quantity of Good specified in the Order, Halfords may in its sole discretion and without prejudice to any other rights or remedies it may have:

- a. reject all of the Goods or just the excess Goods and return the same to the Supplier at the Supplier's sole risk and expense; or,
- b. accept the delivery. Where Halfords accepts the delivery, the Supplier shall make a pro rata adjustment to the invoice for the Goods to reflect the actual quantity delivered.

9.7. The time of delivery of the Goods shall be of the essence and if the Supplier fails to deliver the Goods on the Delivery Date then, without prejudice to any other rights which it may have, Halfords reserves the right to:

- a. cancel the Order in whole or in part;
- b. refuse to accept any subsequent delivery of the Goods which the Supplier attempts to make;
- c. recover from the Supplier any expenditure reasonably incurred by Halfords in obtaining the Goods in substitution from another supplier; and,
- d. claim damages from the Supplier for any additional Losses incurred by Halfords which are in any way attributable to the Supplier's failure to deliver the Goods on the Delivery Date.

9.8. Where Halfords agrees to accept delivery of the Goods by instalments the Order shall be construed as a single contract in respect of each instalment provided that the failure by the Supplier to deliver any one instalment shall entitle Halfords to treat the whole Order as repudiated.

9.9. Following issue of an Order, at any time up to one month prior to delivery of the Goods Halfords shall be entitled to notify the Supplier in writing that Halfords requires the Supplier to suspend or delay delivery of the Goods (or a specified proportion of the Goods) for a maximum period of 7 (seven) months. In such circumstances:

- a. payment obligations will be delayed until delivery is made unless otherwise agreed by Halfords;
- b. the Supplier shall store the suspended Goods at its premises without additional charge to Halfords; and,
- c. the terms of the applicable Order shall be deemed to be varied accordingly.

9.10. The Supplier shall indemnify and keep Halfords indemnified in respect of any Direct Losses incurred by Halfords in connection with any damage or injury occurring in the course of delivery or installation of the Goods to the extent that such damage or injury is caused by any act or omission of the Supplier or its employees, agents or sub-contractors.

## 10. Goods Related Services

10.1. If the Supplier (or any of the Supplier's sub-contractors or agents) provides Goods Related Services then the following provisions shall apply.

- 10.2. The Supplier shall from the date set out in the Order and for the duration of the Agreement provide the Goods Related Services to Halfords in accordance with the terms of this Agreement, including the Specifications.
- 10.3. The Supplier shall meet any performance dates for the Goods Related Services as specified in the Order, or as otherwise notified to the Supplier by Halfords.
- 10.4. In providing the Goods Related Services, the Supplier shall:
- a. co-operate with Halfords in all matters relating to the Services, and comply with all lawful instructions of Halfords;
  - b. perform the Services with the best care, skill and diligence in accordance with Good Industry Practice;
  - c. use Supplier personnel who are suitably skilled and experienced to perform tasks assigned to them and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Agreement;
  - d. ensure that the Goods Related Services and Materials conform with the Specification, and that the Materials shall be fit for any purpose expressly or impliedly made known to the Supplier by Halfords;
  - e. provide all equipment, tools and vehicles and such other items as are required to provide the Goods Related Services;
  - f. use the best quality goods, materials, standards and techniques, and ensure that the Materials, and all goods and materials supplied and used by the Supplier or transferred to Halfords, will be free from defects in workmanship, installation and design;
  - g. obtain and at all times maintain, all necessary licences and consents, and comply with all Applicable Laws;
  - h. observe all health and safety rules and regulations and any other security requirements that apply at any of the Halfords' premises;
  - i. comply with the Halfords' Suppliers Standards Manual set out at Schedule 8; and,
  - j. not do or omit to do anything which may cause Halfords to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business.

## 11. Forecasts

Halfords may provide Forecasts to the Supplier. Under no circumstances will Halfords be obliged to provide Forecasts and a Forecast shall never constitute an Order for Goods or a binding commitment from Halfords to order Goods in that quantity or at all.

## 12. Ordering Procedure

- 12.1. Halfords may at any time provide the Supplier with a written order for Goods substantially in the form set out in Schedule 6 or in any other form that the parties may agree from time to time.
- 12.2. Before the first Order is placed, if requested to do so by Halfords, the Supplier must provide accurate details of the Goods as outlined in the Article Data Form contained in Schedule 8.

- 12.3. All Orders for Goods and / or Goods Related Services shall be in the form set out in Schedule 6 and shall be sent in an Electronic Format to the Supplier.
- 12.4. In the event that the Supplier is unable to accept or fulfil an Order, it shall notify Halfords as soon as possible (and in any event within two (2) Business Days) providing reasons, in such detail as may be required by Halfords, for its non-acceptance of the Order.
- 12.5. Halfords may notify the Supplier that it requires alternative Goods which are not contained within Schedule 1. The Supplier may only provide such alternative Goods if it has received a written request from Halfords. In the event that the Supplier's alternative Goods are provided without such written instruction, then Halfords reserves the right to:
- a. reject these Goods and return them to the Supplier at the Supplier's expense; or,
  - b. obtain re-imbursement from the Supplier for the difference in cost between the alternative Goods supplied and the cost of the Goods via Halfords' usual source, plus any additional Losses incurred by Halfords in relation thereto.

## 13. Price and Payment Terms

- 13.1. The Price for the Goods and / or the Goods Related Services shall be as specified at Schedule 1 or as specified in the Order. No increase in the Price shall be permitted unless (a) the Supplier has provided Halfords with not less than three (3) months prior written notice of the proposed increase; and (b) Halfords has expressly agreed to the price increase in writing. All prices are expressed as excluding VAT (or any equivalent sales tax which may be applicable) but are inclusive of any and all taxes, duties, tariffs, carriage and freight costs (except to the extent that the relevant Incoterm® 2020 states otherwise) delivery, Packaging or other charges.
- 13.2. The Supplier shall submit all invoices to Halfords in accordance with Schedule 2
- 13.3. Halfords shall have no liability whatsoever for any delayed payments if such delay arises out of the Supplier's failure to comply with Schedule 2
- 13.4. Halfords shall pay all undisputed invoices submitted in accordance with Schedule 2 within the number of days and the currency specified at page 1 of this Agreement. If the figure and currency type at page 1 of this Agreement is blank, it is agreed that undisputed invoices shall be paid within one hundred and twenty (120) days of submission of the Suppliers invoice and that the appropriate currency shall be pounds sterling (£).
- 13.5. For the avoidance of doubt, time of payment is not of the essence.
- 13.6. Subject always to satisfactory receipt of Goods and/or Goods Related Services, Halfords will pay all correctly raised and undisputed invoices by the later of:
- a. the end of the Quarter following the date on which the invoice is received by Halfords, or
  - b. the period specified on the Order.
- 13.7. Where Halfords is entitled to a prompt payment discount as set out in Schedule 1, subject to Halfords making payment in the agreed time period, Halfords shall be entitled to deduct an amount equal to such agreed discount from each payment made to the Supplier.
- 13.8. Where appropriate, VAT and any other tax, duty or fee imposed from time to time by any government or other authority must be identified separately on each invoice in accordance with the relevant laws and regulations and all relevant VAT numbers and details must be provided.

- 13.9. If a party fails to make any undisputed payment due to the other party under this Agreement by the due date, then the defaulting party shall pay interest on the overdue amount at the rate of 2% per annum the Bank of England's base rate from time to time. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The defaulting party shall pay the interest together with the overdue amount.
- 13.10. The Supplier shall not be entitled to suspend deliveries of the Goods or the Goods Related Services (as the case may be) as a result of any payments being outstanding.

## **14. Health and Safety**

- 14.1. Without prejudice to the provisions of clause 5, 10 and 19 the Supplier shall ensure that the Goods are designed and manufactured so as to be safe and without risk to the health and safety of the users. The Supplier shall make available to Halfords all information required by Applicable Laws concerning the use for which the Goods have been designed, tested and can be used.
- 14.2. If the receipt, handling, use or possession of any Goods to be supplied involves any hazard to health and/or safety the Supplier shall give Halfords and/or any third party all information necessary and required by Applicable Laws to warn of such hazards, including details of all precautions to be taken against such hazard and appropriate warnings on the Packaging and/or delivery pallets. The Supplier must provide this information in writing prior to the delivery of the Goods.
- 14.3. The Supplier shall indemnify and keep indemnified Halfords in respect of all Direct Losses incurred by it as a result of a breach by the Supplier of this clause 14.

## **15. Product Returns & Recalls**

- 15.1. The Supplier shall comply with its obligations set out in Schedule 4. For all Recall Events, the Supplier shall, within 24 hours of a Recall Event, complete and return to Halfords the Recall Document set out at Schedule 4.
- 15.2. The Supplier shall be liable for, indemnify and keep indemnified Halfords for any Losses incurred by it in relation to the occurrence of a Recall Event or Faulty Goods Return.

## **16. Ethics and Conduct**

- 16.1. Halfords is committed to sourcing quality Goods and to developing partnerships with suppliers who adopt practices promoting ethical trading and fair treatment of its employees and suppliers. The Supplier shall comply with Halfords' Code of Conduct for Suppliers as set out in Schedule 5.

## **17. Title and Risk**

- 17.1. Title and risk in the Goods shall pass to Halfords at the time of Delivery. If payment for the Goods is made prior to Delivery, title shall pass to Halfords on payment, and risk shall pass on Delivery.

## **18. Intellectual Property**

- 18.1. The Supplier warrants that it has full, clear and unencumbered title to all Goods and any goods or Materials that are transferred to Halfords as part of Goods Related Services, and that at the date of delivery; it will have full and unrestricted rights to sell and transfer all such items to Halfords.

- 18.2. The Supplier assigns to Halfords, with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Goods Related Services, including for the avoidance of doubt the Materials IPR.
- 18.3. The Supplier shall obtain waivers of all moral rights in the Goods, including for the avoidance of doubt all Materials, or any other product of the Goods Related Services to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.
- 18.4. The Supplier shall, promptly at Halfords' request, do (or procure to be done) all such further acts and things and the execution of all such other documents as Halfords may from time to time require for the purpose of securing for Halfords the full benefit of the Agreement, including all right, title and interest in and to the Intellectual Property Rights assigned to the Halfords in accordance with clause 18.2.
- 18.5. The Supplier IPR shall remain the absolute property of the Supplier. Halfords shall not make any representation or do any act which may be taken to indicate that it has any right, title or interest in or to the ownership or use of any of the Supplier IPR and Halfords acknowledges that nothing contained in this Agreement shall give it any right, title or interest in or to the Supplier IPR. The Supplier warrants that the Supplier IPR does not infringe the Intellectual Property Rights of any third party and the Supplier shall indemnify and keep Halfords indemnified in full against all Losses incurred or paid by Halfords as a result of or in connection with an infringement or alleged infringement of any Intellectual Property Rights caused by the use or supply of the Goods and / or Goods Related Services.
- 18.6. The Halfords IPR shall remain the absolute unencumbered property of Halfords. The Supplier shall not make any representation or do any act which may be taken to indicate that it has any right, title or interest in or to the ownership or use of any of the Halfords IPR and Supplier acknowledges that nothing contained in this Agreement shall give it any right, title or interest in or to Halfords IPR.
- 18.7. With effect from the date of assignment specified in Clause 18.2 Halfords hereby grants to the Supplier a non-exclusive, royalty-free licence to use the Materials IPR and, if applicable, the Halfords IPR, only for the purpose of delivering the Goods and / or Goods Related Services to Halfords in accordance with this Agreement and any extension of the scope of this licence shall require the express written agreement of Halfords.
- 18.8. The provisions of this Clause 18 shall survive the expiration or termination of this Agreement.

## 19. Warranty and Returns

- 19.1. The Supplier warrants that the Goods or Goods Related Services delivered by the Supplier shall:
- a. conform to the Specification;
  - b. be free from defects in design, materials and workmanship;
  - c. comply with all Applicable Laws, standards and Good Industry Practice (including in relation to their manufacture, packaging and delivery);
  - d. for Goods, be of satisfactory quality within the meaning of the Sale of Goods Act 1979, and for Goods Related Services, the Supply of Goods and Services Act 1982 each as amended and as applicable: and,
  - e. be fit for any purpose held out by the Supplier.

- 19.2. Without limiting any other remedies to which it may be entitled, Halfords may at any time after Delivery reject any Goods that do not comply with clause 19.1 by providing notification to the Supplier. As soon as reasonably practicable but in any event within ten (10) Business Days after receiving the notification, the Supplier shall, at Halford's option:
- a. repair or replace the Goods; or,
  - b. provide Halfords with a full refund of the Price paid for the Goods.
- 19.3. The Supplier shall ensure that the full benefit of any Warranty in relation to Goods which are supplied to Halfords are capable of being transferred and are transferred at no expense to Halfords' customers purchasing such Goods. The Supplier shall further ensure that it fulfils its obligations to Halfords' customers pursuant to the terms of any Warranty, whether enforced directly by the customer or by Halfords on behalf of its customer.
- 19.4. Where Halfords is selling the Goods on to its customer and:
- a. any customer exercises its right to cancel the contract for the purchase of the Goods from Halfords in accordance with Halfords' customer terms and conditions (which may include cancellation rights under the Consumer Protection, Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013); or,
  - b. Halfords wishes to return Goods under Warranty;
- then without prejudice to the terms and conditions applicable to such Warranty, or clause 19.2 Halfords shall have the right to return the Goods to the Supplier and receive a full credit from the Supplier of the Price paid for the Goods within 30 days of Halfords' notice of return.
- 19.5. The Supplier will, unless otherwise agreed in writing with Halfords, collect any Goods rejected under this Agreement (or arrange collection of such Goods) from Halfords, on an FCA Incoterms® 2020 basis, at the Supplier's own expense. Risk and title in the rejected Goods shall pass back to the Supplier at the point at which the Goods are collected or, if earlier ten (10) Business Days from the date on which Halfords notified the Supplier of the rejection.
- 19.6. The Customer shall be entitled to exercise its rights under this clause 19 regardless of whether the Goods have been accepted and notwithstanding that the Goods were not rejected following their initial inspection under clause 5.5.

## 20. Indemnity

- 20.1. Without prejudice to any other rights or remedies Halfords may have, the Supplier shall indemnify and keep indemnified Halfords against all liabilities, costs, expenses, damages and Losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered incurred by Halfords as a result of or in connection with:
- a. any claim made against Halfords for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the manufacture, supply or use of the Goods, or receipt, use or supply of the Goods Related Services, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;
  - b. any claim made against Halfords by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in Goods, to the extent that the defects in the Goods are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;



- c. any claim made against Halfords by a third party arising out of or in connection with the supply of the Goods or the Goods Related Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Agreement by the Supplier, its employees, agents or subcontractors;
  - d. all and any losses, claims, liabilities, expenses or penalties incurred by, awarded against or agreed to be paid by Halfords arising from any breach of the Supplier's obligations under the terms of Data Protection Legislation where relevant except and to the extent that such liabilities have resulted directly from Halfords written instructions; and,
  - e. any Losses sustained by Halfords as a result of or in connection with defective workmanship, quality or materials of the Goods or Goods Related Services and/or their failure to comply with Applicable Laws.
- 20.2. In all cases where the Supplier is liable to indemnify Halfords, without prejudice to Halfords' rights under that indemnity, the Supplier will pay to Halfords in respect of each individual claim covered by the indemnity an additional administration charge of £15.00 (fifteen pounds) as liquidated damages. The parties confirm that this sum represent a genuine pre estimate of Halfords loss.
- 20.3. If the Supplier is liable to indemnify Halfords as a result of the supply by Halfords to a customer of any Goods which are fitted to a customer's vehicle by Halfords, any claim which Halfords makes in respect of labour costs incurred by it in a fitting an alternative item or performing the remedial work to the item in question or to the vehicle to which it is being fitted, will be calculated by applying an hourly rate of £70.00 (seventy pounds) as liquidated damages. The parties confirm that this sum represent a genuine pre estimate of Halfords loss.
- 20.4. This clause 20 shall survive termination of the Agreement.

## 21. Entire Agreement and Exclusivity

- 21.1. This Agreement constitutes the whole agreement between Halfords and the Supplier and supersedes any previous arrangement, understanding or agreement between them relating to the subject matter of this Agreement.
- 21.2. Each party warrants to the other that, in entering into this Agreement, it does not rely on any statement, representation, assurance or warranty of any person (whether a party to this Agreement or not) other than as expressly set out in this Agreement.
- 21.3. Unless otherwise provided for nothing in this Agreement shall entitle the Supplier to any rights of exclusivity in relation to provision of Goods or Goods Related Services to Halfords and the Supplier acknowledges that Halfords shall be entitled to procure goods and / or services equivalent to the Goods and / or the Goods Related Services from any third party at any time.

## 22. Confidentiality

- 22.1. A party (the "Receiving Party") shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives or any other non-public information which is of a confidential nature and have been disclosed to the Receiving Party by the other party (the "Disclosing Party"), its employees, agents or subcontractors, and any other confidential information concerning the Disclosing Party's business, its products and services which the Receiving Party may obtain. The Receiving Party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the Receiving Party's obligations under the Agreement, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Agreement. The Receiving Party may also disclose such of the Disclosing Party's confidential information as is required to be disclosed by any Applicable Law, but shall give the other party as much notice of such disclosure as possible.

22.2. On termination or expiry of the Agreement each party shall either, at the Disclosing Party's election, return to the Disclosing Party, or permanently destroy, all documents and materials (and any copies) containing, reflecting, incorporating or based on the other party's confidential information. If so requested by the Disclosing Party, the Receiving Party shall certify in writing that it has complied with the requirements of this clause, provided that a recipient party may retain documents and materials containing, reflecting, incorporating or based on the other party's confidential information to the extent required by any Applicable Law.

22.3. This clause 22 shall survive termination of the Agreement.

## **23. Dispute Resolution**

23.1. Any disputes or disagreements in relation to the Agreement or an Order will be resolved in accordance with this clause 23.

23.2. The parties will attempt to settle the dispute by mediation in accordance with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator will be nominated by CEDR. To initiate the mediation a Party must give notice in writing (ADR notice) to the other Party to the dispute requesting mediation. A copy of the request should be sent to CEDR Solve. The mediation will start not later than 30 days after the date of the ADR notice.

23.3. If and to the extent that the parties do not resolve any dispute in the course of any mediation, either party may commence or continue court proceedings in respect of such unresolved dispute.

23.4. Nothing in this clause 23 shall prevent either party from instigating legal proceedings where an order for an injunction, disclosure or legal precedent is required.

## **24. Data Protection**

24.1. Where the Supplier processes any Data Subject's Personal Data in order to fulfil its obligations under the terms of these Terms and Conditions, the Supplier shall comply with the requirements described in Schedule 9 below.

## **25. Modern Slavery, Bribery and Corruption**

25.1. The Supplier shall, and shall procure that its subcontractors, subsidiaries, directors, officers or (to the best of the Supplier's knowledge or belief having made due and careful enquiry) agents and employees shall:

- a. comply with all anti-bribery and corruption legislation in force from time to time (including but not limited to the Bribery Act 2010) and shall on the request of Halfords provide a copy of the Suppliers anti-bribery and corruption policy;
- b. not engage in any transaction, trade or business, whether for its own benefit or for the benefit of another person, which is in direct or indirect breach of any economic sanctions laws or regulations or in a country or territory that is, or whose government is, the subject of sanctions;
- c. comply with all anti-human trafficking and modern slavery legislation in force from time to time (including but not limited to the Modern Slavery Act 2015) and shall on request of Halfords provide a copy of the Suppliers policies relating to the same; and,
- d. act in accordance with Schedule 5.

- 25.2. The Supplier shall inform the Purchaser immediately if it becomes aware of a, and/or or has acted in, breach of this clause and shall indemnify Halfords against any Losses, and expenses incurred by, or awarded against, Halfords as a result of any breach of this clause by the Supplier or any breach of provisions equivalent to this clause in any Subcontract by any Subcontractor employed by the Supplier.

## 26. Insurance

- 26.1. The Supplier shall maintain adequate insurance to the full replacement value of the Goods prior to delivery and whilst the risk lies with the Supplier.
- 26.2. The Supplier shall maintain in force product liability insurance for an amount of not less than £5,000,000 per event for a period of 3 (three) years from delivery.
- 26.3. The Supplier shall maintain in force public liability, employer's liability and, where applicable and/or requested by the Purchaser, professional indemnity insurance for an amount of not less than £5,000,000 for any one occurrence at all times during the execution of the Goods Related Services and for a period of 3 (three) years following the completion of the Goods Related Services.
- 26.4. The Supplier shall, on the Purchaser's request, produce insurance certificates giving details of cover and the receipt for the current year's premium in respect of each insurance referred to in this clause 26.
- 26.5. The Supplier shall, during the term of this Agreement, and for a period of 3 (three) years thereafter:
- a. administer the Insurance Policies and the Supplier's relationship with its insurers at all times to preserve the benefits for Halfords as set out in this Clause 26.5;
  - b. do nothing to invalidate any Insurance Policy or to prejudice Halfords's entitlement thereunder; and,
  - c. procure that the terms of the Insurance Policies are not altered in such a way as to diminish the benefit of the Insurance Policies for Halfords which are provided as at the Commencement Date.
- 26.6. The Supplier shall notify Halfords immediately in the event that anything occurs which has invalidated, or is likely to invalidate, the insurance held by the Supplier.

## 27. Limitation of Liability

- 27.1. Neither party limits its liability for:
- a. death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors;
  - b. fraud by it or its employees;
  - c. breach of any obligation as to title implied by statute;
  - d. any of the indemnities given by the Supplier under this Agreement; or,
  - e. any other act or omission, liability for which may not be limited under Applicable Law.

- 27.2. Subject to clause 27.1, the Supplier's total aggregate liability in respect of all other claims, losses or damages, whether arising from tort (including negligence), breach of contract or otherwise under or in connection with this Agreement or any Order, shall in no event exceed the value of the Order to which the applicable claim relates.
- 27.3. Except where expressly stated otherwise in this Agreement, neither party shall be liable to the other party for Indirect Losses provided that the provisions of this clause 27.3 shall not limit Halfords' right to recover any of the following from the Supplier:
- a. additional operational and administrative costs and expenses arising from a Supplier's default under this Agreement or an Order;
  - b. wasted expenditure or charges rendered unnecessary and incurred by Halfords arising from a Supplier's default under this Agreement or an Order;
  - c. any additional cost of procuring and implementing replacement services or replacement goods from an alternative supplier in the event of a Supplier's default under this Agreement or an Order; or,
  - d. any fines, expenses or other losses incurred by Halfords and arising from a breach by the Supplier of any Applicable Laws.
- 27.4. The total aggregate liability of Halfords under this Agreement or an Order in respect of all claims, losses or damages, whether arising from tort (including negligence), breach of contract or otherwise, shall in no event exceed the Price paid for the Goods or Goods Related Services at the time at which the cause of action giving rise to the claim arises.

## 28. Termination

- 28.1 Without limiting its other rights or remedies, Halfords may terminate this Agreement or an individual Order:
- a. by giving the Supplier not less than thirty (30) days' written notice in which case Halfords shall pay the Supplier the sums due to it for Goods or Goods Related Services delivered at the time of termination provided always that such payment shall not exceed the Price outstanding and duly payable in respect of any Order in force at the time of termination;
  - b. with immediate effect, by giving written notice to the Supplier if the Supplier;
    - i commits a material breach of the terms of this Agreement or an Order and, if such breach is remediable, fails to remedy that breach within a period of fourteen (14) days after being notified in writing to do so;
    - ii repeatedly breaches any of the terms of the Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Agreement;
    - iii is subject to an Event of Insolvency; or,
    - iv undergoes a Change of Control.
- 28.2 Without limiting its other rights or remedies, the Supplier may terminate this Agreement or an individual Order by giving Halfords not less than three (3) months written notice. The Supplier shall be obliged to fulfil in accordance with the terms of this Agreement any and all outstanding Orders in force at the time of termination;

## 29. Consequences of termination

- 29.1. Termination of an Order shall not have the effect of terminating this Agreement.
- 29.2. Termination of this Agreement shall not have the effect of terminating all Orders in force at the time of termination and the Supplier is obliged to complete that Order in accordance with the terms and conditions of this Agreement.
- 29.3. Termination or expiry of this Agreement shall not affect any rights, remedies or obligations of the parties that have accrued or become due prior to termination nor shall it affect the continued operation of any of the provisions of this Agreement which expressly or by implication are intended to come into or continue in effect following termination or expiry of it.
- 29.4. If, following termination or expiry of this Agreement, Halfords intends to continue to receive services equivalent to the Goods Related Services from an alternative supplier or by way of provision of such services itself then the Supplier shall provide reasonable assistance to Halfords in facilitating that transition (including without limitation provision of all data, documents, manuals, working instructions reports and other information considered necessary by Halfords) in order to ensure that the transition is undertaken with the minimum of disruption to Halfords.
- 29.5. On termination of the Agreement for any reason, the Supplier shall immediately deliver to Halfords all Materials whether or not then complete. If the Supplier fails to do so, then the Customer may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Agreement.

## 30. Audit

- 30.1. The Supplier shall keep at its normal place of business for 2 (two) years after delivery of the Goods and/or the Goods Related Services detailed, accurate and up to date records and books of account showing: (i) all payments made by Halfords to the Supplier in connection with this Agreement; (ii) details of the Goods Related Services performed; (iii) documents demonstrating its compliance with anti-bribery and corruption and modern slavery; and (iv) details of the Goods provided. The Supplier shall ensure that such records and books of accounts are sufficient to enable Halfords to verify the Supplier's compliance with its obligations under this Agreement. The Supplier shall, on written request from Halfords, afford Halfords or its duly authorised representatives such access to those records as may be reasonably required by Halfords.

## 31. Recovery of Sums Due

- 31.1. Halfords may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to Halfords, (or any other Halfords Group Company) against any liability of Halfords to the Supplier, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under the Agreement.
- 31.2. Any overpayment by Halfords to the Supplier, whether of the Price, under an Order, VAT, claims for credit, or payment due to Halfords, in respect of returned goods, short deliveries, overcharges or other matters for which the Supplier is liable shall be a liability of the Supplier and the provisions of 31.1 shall apply.

## 32. Assignment and Subcontracting

- 32.1. This Agreement and any Order made pursuant to it is personal to the parties and no party shall, without the prior written consent of the other party (such consent not to be unreasonably conditioned, withheld or delayed), assign, transfer or deal in any other manner with this

Agreement or any Order or any of its rights and obligations under or arising out of this Agreement, or purport to do any of the same provided that Halfords shall be entitled to assign its rights and / or obligations hereunder to any Halfords Group Company on written notice to Supplier.

- 32.2. Unless expressly provided for in the Order the Supplier shall not sub-contract or delegate in any manner any or all of its obligations under the Order to any third party without the prior written consent of Halfords (such consent not to be unreasonably withheld or delayed).
- 32.3. The Supplier shall be and remain responsible for the acts or omissions of its subcontractors as if such acts or omissions were its own.

### 33. Relationship of the Parties

- 33.1. Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, nor authorise any party to make or enter into any commitments for or on behalf of any other party.

### 34. Notices

- 34.1. Any notice or other communication required to be given under this Agreement shall be in writing and shall be delivered personally, or sent by pre-paid first class post or recorded delivery or by commercial courier, to each party required to receive the notice or communication at its address as set out below:

Party	Address	For the attention of:
Halfords	Icknield Street Drive, Washford West, Redditch B98 0DE	The Company Secretary
Supplier	The Address stated as the beginning of this Agreement	
or as otherwise specified by the relevant party by notice in writing to each other party.		

- 34.2. Any notice or other communication shall be deemed to have been duly received:
- if delivered personally, when left at the address and for the contact referred to in this clause; or
  - if sent by pre-paid first class post or recorded delivery, at 9.00 am on the second Business Day after posting; or
  - if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.
- 34.3. The provisions of this Clause 34 shall not apply to
- the service of any proceedings or other documents in any legal action; or
  - notice by Halfords to the Supplier of any amendments and/or updates to this Agreement.

## **35. Rights of Third Parties**

- 35.1. A person who is not a party to this Agreement shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

## **36. Waiver**

- 36.1. No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

## **37. Severance**

- 37.1. If any provision of this Agreement (or part of any provision) is found by any court or other authority of competent jurisdiction to be invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed not to form part of this Agreement, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

## **38. Publicity**

- 38.1. The Supplier shall not make, or permit any person to make, any public announcement concerning this Agreement without the prior written consent of Halfords except as required by law or any governmental or regulatory authority or by any court or other authority of competent jurisdiction.

## **39. Language**

- 39.1. The language of this Agreement is English. All documents, notices, waivers, variations and other written communications relating to this Agreement shall be in English.
- 39.2. If this Agreement and any document relating to it is translated, the English version shall prevail.

## **40. Further Assurance**

- 40.1. At its own expense each party shall and shall use all reasonable endeavours to procure that any necessary third party shall promptly execute such documents and perform such acts as may reasonably be required for the purpose of giving full effect to this Agreement.

## **41. Force Majeure**

- 41.1. Neither party shall be in breach of the Agreement nor liable for delay in performing, or failure to perform, any of its obligations under it if such a delay or failure result from an event, circumstances or cause beyond its reasonable control (Force Majeure Event). For the avoidance of doubt, the UK's withdrawal from the European Union shall not be seen as a Force Majeure Event.
- 41.2. The Supplier shall use all reasonable endeavours to mitigate the effect of a Force Majeure Event on the performance of its obligations.
- 41.3. If a Force Majeure Event prevents, hinders or delays the Supplier's performance of its obligations for a continuous period of more than three (3) months, Halfords may terminate the Agreement immediately by giving written notice to the Supplier.



## **42. Law and Jurisdiction**

- 42.1. This Agreement shall be governed by and construed in accordance with the laws of England and Wales.
- 42.2. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter.

## Schedule Index

<b>Schedule 1</b>	<b>–</b>	<b>Description of Goods and /or Goods Related Services and Prices</b>
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<b>Schedule 3</b>	<b>–</b>	<b>Sample Submission Form</b>
<b>Schedule 4</b>	<b>–</b>	<b>Recall Conditions</b>
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## Schedule 1

### Description of Goods and /or Goods Related Services and Prices

Goods / Goods Related Services	Prices

**Are any of the Goods and/or Services supplied on a sale or return basis? If so please give details below;**


## Schedule 2

### Halfords Accounting Guidelines

#### Invoicing

Invoices and Credit Notes must be sent to Halfords Accounts Payable Department, and must not be dated in advance of Goods being delivered.

All Invoices must quote the following information to ensure that Halfords are able to process them efficiently and payment is not delayed:

- Halfords Accounts Payable Number;
- Delivery Location;
- Halfords Item Code, accompanied by a description of the Goods;
- Item Price, which should correspond to that quote on the Order and/or Schedule 1 unless otherwise agreed in writing by Halfords. If this is the case it should be noted on the Invoice that an amended price applies;
- Quantity delivered and the date of the delivery;
- The Order Number MUST always be quoted in full on ALL invoices issued. It is a ten digit number beginning with "5"; and
- Delivery Advice Note numbers should always be quoted within the invoice details.

#### Credit Notes

All Credit Notes must quote the following information:

- The Original Order Number used to order the Goods for which credit is being given;
- The Original Invoice Number to which the credit applies;
- The Debit Note Number to which the Credit Note applies (if applicable); and
- The Delivery Location(s).

Monthly statements of account must also be sent to Halfords Accounts Payable Department

#### Quantity or Value discrepancies

Where the quantity stated on the invoice differs from that delivered to Halfords, a Debit Note for any shortfall will automatically be issued.

Where the price of items delivered to Halfords differs from that stated on the Order or Schedule 1, a Debit Note will be issued for the difference, unless the revised price has been agreed in writing by Halfords.

Disputes regarding Halfords' Debit Notes should be raised in writing to Halfords Accounts Payable Department within 3 (three) months of the date of issue.

## Schedule 3

### Sample Submissions Form

#### SAMPLE SUBMISSION FORM

This form must be submitted to the appropriate Halfords Product Manager when a new product introduction is proposed or prior to changes to existing products, packaging or instructions

#### Section A – To be completed by the Supplier

Company Name:	No Of Samples: <b>Must be 2</b>	Retail Brand: <input type="radio"/> Halfords Brand (inc sub-brands & Proprietary <input type="radio"/>
Product Description: <small>exclusive lines)</small>	Country of Origin:	

Reason for sample submission:
 

☐ Development/prototype sample  
☐ New product  
☐ Modified product

☐ Modified packaging  
☐ Modified instructions  
☐ Other (please specify).....

If resubmission, quote previous Halfords Ref No: \_\_\_\_\_ Supplier Item Ref: \_\_\_\_\_

**PLEASE COMPLETE THE FOLLOWING CHECKLIST AND ATTACH ALL REQUIRED DOCUMENTATION (if not already submitted)**

Supplier Legal Compliance Checklist:	N/A	Yes	If 'Yes', attach copies of:
Compliance with European Regulations & Directives	<input type="radio"/>	<input type="radio"/>	E & CE Certification or declaration
Compliance with Standards (BS, EN, ISO, etc)	<input type="radio"/>	<input type="radio"/>	Compliance certificates
Compliance with WEEE & RoHS Directives (where applicable)	<input type="radio"/>	<input type="radio"/>	Compliance documentation
Compliance with Producer Responsibility Obligations	<input type="radio"/>	<input type="radio"/>	(Packaging Waste) Regulations 1997 and Packaging (Essential Requirements) Regulations 1998
Chemical hazard warnings (CHIP Regulations)	<input type="radio"/>	<input type="radio"/>	Health & Safety Data Sheet
Specific guarantees or warranties for proprietary products	<input type="radio"/>	<input type="radio"/>	Details of terms and conditions
Trade Descriptions Act (all product & pack claims etc)	<input type="radio"/>	<input type="radio"/>	Substantiation of all claims
Licence agreements (e.g. character merchandise)	<input type="radio"/>	<input type="radio"/>	Licence agreement or permit

Note: for Halfords brand items, please supply all relevant specifications, technical drawings and test reports.

Is the sample representative of final production?  
Is the product imported into the UK?

Yes ☐  
Yes ☐

No ☐  
No ☐

If awaiting documentation or if the sample is not representative of production, please give details below:

Please supply the following for Packaging:

- ☐ Cutter profiles for product
- ☐ Product pack samples (even if in other branding, but with the proposed pack construction & materials)
- ☐ Examples of naked (card) substrate (for printing tests)

## Section B – Supplier's Declaration

Please sign to accept the terms of declaration below. As this declaration relates to Halfords Terms and Conditions for the Purchase of Goods and Goods Related Services, it is recommended that you familiarise yourself with those conditions before signing this document.  
If in doubt, please contact the appropriate Halfords Buyer.

We hereby confirm that:

1. This product does not infringe the Intellectual Property Rights of any third party.
2. The product and packaging complies with all Applicable Laws.
3. Subsequent to product approval, we understand that we must obtain Halfords' written consent prior to any change to the product, packaging or instructions.

Name:..... Tel No:.....

Position:.....Date:..... Fax No:.....

Signature:..... E-mail:.....

To be completed by Halfords Buyer	Sample Status:	Range Season:
Buyer:	<input type="radio"/> Development sample	<input type="radio"/> Spring-Summer
Product Group:	<input type="radio"/> Full evaluation	<input type="radio"/> Autumn-Winter
Item Code (s):	<input type="radio"/> Overview	<input type="radio"/> Christmas
	<input type="radio"/> Benchmarking	<input type="radio"/> Other.....



## Schedule 4

### Halfords Recall & Returns Document

1. This Schedule outlines the parameters for the returning by Halfords to the Supplier of Goods due to a Recall Event or a Faulty Goods Return.
2. The minimum warranty period for the return to the Supplier of Faulty Goods shall be 18 (eighteen) months from the date of the last invoice presented in respect of the model of the Faulty Goods in question. The minimum warranty period shall be subject to revision in accordance with any statutory amendments to legislation.
3. Halfords shall notify and make available to the Supplier the Goods subject to a Faulty Goods Return and/or Recall Event. Halfords shall provide the Supplier with a model number or product description and quantity of each Goods to be uplifted by the Supplier. Halfords will not be obliged to provide serial numbers, batch numbers, proof of purchase or proof of warranty for any individual items.
4. Upon notification to the Supplier that the Goods are available for uplift, the Supplier shall collect and back-haul from Halfords Distribution Centre the Goods within 10 (ten) working days of such notification.
5. The Supplier will, unless otherwise agreed in writing with Halfords, collect any Goods rejected under this Agreement (or arrange collection of such Goods) from Halfords, on an FCA Incoterms® 2020 basis, at the Supplier's own expense.
6. Risk and title in the rejected Goods shall pass back to the Supplier at the point at which the Goods are collected or, if earlier 10 (ten) Business Days from the date on which Halfords notified the Supplier of the rejection.
7. Where the Supplier fails to collect the Goods within 10 (ten) working days, the Supplier shall credit Halfords an additional sum of £5 per pallet load of Goods per day thereafter until collected, as liquidated damages. The parties confirm that this sum represent a genuine pre estimate of Halfords loss being storage charges.
8. Should such collection not take place due to circumstances beyond the Suppliers reasonable control these charges may be waived at Halfords absolute discretion provided that a new collection date is promptly arranged and kept by the Supplier.
9. Any Goods that are not collected in accordance with this Schedule by the Supplier within 3 (three) months of notification will be disposed of by Halfords and Halfords costs of disposal shall be reimbursed by the Supplier who shall promptly pay such amount to Halfords. In such cases the Supplier accepts Halfords rights to any monies debited by Halfords for those Goods so disposed of.
10. Where it is necessary for Halfords to return the Goods to the Supplier via a third party, such costs incurred by Halfords will be charged to the Supplier who shall promptly pay such amount and shall reimburse Halfords in respect of any costs that Halfords has incurred as a result.
11. Halfords will endeavour to return the Goods in their original packaging, and complete. However, this is in no way guaranteed and Halfords shall have no liability to the Supplier if the Goods are not returned in accordance with this paragraph 9.
12. Subject always to any returns agreement agreed in writing and signed by both parties, the Supplier accepts that Goods returned to Halfords by Halfords customers as faulty, are taken by Halfords in good faith to be faulty and will be returned to the Supplier as such. Halfords shall have no liability and the Supplier will not be entitled to a chargeback

should the Supplier subsequently establish no fault with the Goods. Halfords shall receive credit for all stock returned regardless of whether it is no fault found or not.

13. Within 7 (seven) days of the date of return or disposal of the Goods either the Supplier shall issue Halfords with a monetary credit for the value of the Goods, (returned or disposed of as the case may be), as shown on the Halfords Debit Note, or Halfords will deduct the sums from the next invoice due to the Supplier in accordance with clause 16. Halfords will in all cases debit each Good at the average price at which the Supplier has invoiced Halfords since Halfords initial listing of that Good. For the avoidance of doubt, Halfords shall not be obliged to receive a one-for-one exchange of the Goods or any other mechanism other than full credit against the latest invoice price of the Goods so returned or disposed of.
14. The Supplier shall make known to Halfords any disputes over monies deducted on the returns debit note within 14 (fourteen) days of the issue of the debit note. Any debit note not queried within 14 (fourteen) days will be accepted as accurate by the Supplier.
15. Goods with a retail value below the threshold of £50 will be written off and disposed of by Halfords at store level and the original cost of such Goods will be charged back to the Supplier on production of relevant documentation.
16. Any Goods subject to a Recall Event as identified by the Supplier, Halfords Quality Assurance, or Enforcement Authorities will receive a full credit for all Goods withdrawn from sale and those items returned by customers in response to the Recall. In addition the Supplier will credit Halfords for those costs incurred through public recall advertisements, point of sale material, and handling and storage costs relating to the withdrawal, plus the loss of profit relating to lost sales, and any other costs initially incurred by Halfords in advertising and marketing the Recall. The Supplier will continue to collect and credit the recalled Goods from Halfords on a regular basis for 6 (six) months following the announcement of the Recall Event.
17. Where a Good is found to be incurring an unacceptable percentage of returns against sales out during the first month of sale, Halfords will classify this as a clear manufacturing defect, constituting a Recall Event and reserve the right to either return all unsold stock of the Goods and any future customer returns of the Goods to the Supplier for full credit, and charge the Supplier any associated handling costs or agree an acceptable correction plan at no cost to Halfords.
18. Halfords may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to Halfords, (or any other Halfords Group Company) against any liability of Halfords to the Supplier, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under the Agreement.

**This Schedule shall survive termination of the Agreement.**

## **Addendum for Technology Suppliers**

1. This addendum shall only apply to those Suppliers supplying technology goods to Halfords. It shall be read in conjunction with the clauses set out above.
2. The Supplier shall provide at its own expense, a spare parts and technical telephone helpline to determine that Goods brought back to Halfords by its customer are faulty. The helpline will be fully operational during the period of Halfords store hours of business and be able to be dialled as a UK mainland and Northern and Southern Ireland code.
3. Save for as set out at clause 13 above, any Goods identified by the Supplier as being faulty within 30 (thirty) days of the Halfords customer's purchase of the same, will be returned to Halfords Distribution Centre for collection by the Supplier for a full credit.

4. Any Goods identified by the Supplier as being faulty longer than 30 (thirty) days but less than 12 (twelve) months after the Halfords customer first purchased the Goods shall be returned to the Supplier or their agents for assessment and repair. Repair by the Supplier will cover all hardware, components and software problems. All costs associated with repairs shall be borne by the Supplier.
5. The Supplier will arrange for any faulty Goods to be collected from the store or Halfords Distribution Centre within two working days from first notification that the Goods are faulty, and where applicable, return to the Goods to store within 7 (seven) working days of such collection. If the Supplier fails to return the Goods within 7 (seven) working days, Halfords may choose to replace or refund Goods and receive a full credit from the Supplier.
6. All repairs carried out by the Supplier will carry a further warranty of 12 (twelve) months from the date of repair, and should the product develop a fault either connected to the original fault or otherwise and this fault is confirmed by the Supplier the Goods will be returned to the Supplier for a full credit.
7. The Supplier will reimburse Halfords for all costs incurred in the disposal of those of their products that are classified as WEEE as outlined by European Parliament and Council Directive on Waste Electrical and Electronic Equipment.



## Schedule 5

### Halfords Sourcing Code of Conduct for Suppliers

The following code of conduct applies to all our business dealings:-

- We oppose the exploitation of child labour and will not trade with manufacturers employing children under the age permitted in the countries concerned;
- We oppose the exploitation of workers in general and we will not tolerate forced labour or labour which involves physical or mental abuse or the exploitation of any vulnerable group;
- We support a fair and reasonable reward for workers that must be fully comparable with local norms including minimum wage criteria where applicable. All terms and conditions of employment must be compatible with the principle of fair and honest trading and have due regard to the welfare of individuals;
- Suppliers must ensure that all manufacturing processes are carried out under conditions which have proper and adequate regard for the health and safety of those involved.

We will take all reasonable and practical steps, including factory inspections and audits, to ensure that our required standards are being met by all our suppliers and in turn by their subcontractors.

We will only trade with those who comply fully with this Code of Conduct and in the event of any failure to do so, we reserve the right to terminate the Agreement and cancel outstanding Orders with immediate effect. We do however recognise that in the event of non-compliance, withdrawal of our business may cause severe hardship to those employed and will therefore work with our suppliers in partnership to achieve compliance and carefully review progress made before considering severing the relationship.

### Principles

Our principles are based on international standards, including the International Labour Organisation (ILO) conventions and recommendations, which in turn are based on the United Nations (UN) Universal Declaration of Human Rights and Convention on Rights of the Child.

### Age

Children under the age of 14 years, the legal minimum age, or the age of completion of compulsory schooling, should not be employed.

Whilst we support efforts to raise progressively the minimum working age, we accept that children aged over 12 years may be employed part-time on light work, provided that this is not harmful to their health or development, and does not prejudice their attendance at school.

Young persons under the age of 18 years will not be employed in conditions that may be hazardous to their development.

### Conditions of Employment

Forced or involuntary labour, or labour which involves any physical or psychological harassment will not be tolerated.

Terms and conditions of employment will ensure that workers are not unfairly treated, including those from vulnerable groups. There will be no exploitation or discrimination based on race, disability, religion, national origin, gender or sexual orientation.

The freedom of workers to choose whether or not to associate with any group is recognised, as long as such groups are legal in their own country.

## **Wages and Benefits**

Wages and benefits will, at least, be in accordance with local norms for the industry, including legal minimum wage criteria where applicable.

While local cultural norms and seasonal circumstances will be observed, workers will not be required to work in excess of 60 hours per week, including overtime, on a regular basis. Workers will be allowed at least one day off in seven.

Where accommodation is provided, this must meet basic requirements and be safe and hygienic.

Part-time or temporary contracts will not be used to avoid the principles outlined in this code.

## **Health and Safety**

Work conditions must comply with health and safety standards in the country and region. Exposure to health and safety hazards must be avoided. Adequate protective clothing and equipment must be provided and encouraged to be used at all times.

Emergency procedures and accident prevention measures must be in place, including training.

## **Environment Policy**

Halfords is committed to conducting all its operations with proper regard for the environment.

## **Monitoring and Verification**

We are working with our suppliers to ensure these principles are adopted by all those involved in the supply of merchandise to Halfords at all times.

We will take all reasonable and practical steps, including factory inspections and audits, to ensure that these principles are being applied by all our suppliers and in turn their subcontractors.

## **Development of the Code**

We recognise that this Code must be developed to reflect practical experience and changing circumstances. Therefore, we require that all manufacturing sites (factories) of all Own Brand and exclusive Proprietary Brand products manufactured outside of the EU have passed an independent Code of Conduct audit or successfully implemented a defined Corrective Action Plan within the stated validity period – “high risk/exposure” products (to be defined by Halfords) – 1 year, all other products – 2 years. We will continue to develop and share best practice with our suppliers, other retailers, NGOs and Government so that we can all make real progress together.

## Schedule 6

### Form of Purchase Order

### PURCHASE ORDER

To:

Order Number:

Currency:

Accounts Payable no:

Supply Manager:

Halfords Ltd., Icknield Street Drive, Washford West, Redditch,  
Worcestershire, B98 ODE.  
Tel: (01527) 517601 Fax: (01527) 513789  
VAT Registration No 797 0776 69

Delivery Date: Order Date:

Article Number	Description	Vendor Part Number	Qty by order UOM	Order UOM	Eaches per order UOM	Order Qty in Eaches	Unit Price (GBP)	Price UOM	Eaches per Price UOM	Total Value (GBP)
									<b>Total</b>	

<b>Deliver to:</b>  <b>Customer contact no.</b>	<b>Special Instructions:</b>
<b>Settlement terms:</b> Due Days Nett Mthly with Discount	<b>This order is subject to Halfords Standard Conditions of Purchase.</b>

Please supply the goods listed above complete in a single delivery on the Delivery Date shown. The delivery advice must show the Purchase Order Number and Item Codes as detailed above. Queries should be addressed to the contact address shown above. Please send invoice to Halfords Ltd., Accounts Payable Dept., Icknield Street Drive, Washford West, Redditch, B98 ODE. Halfords Limited Registered Number 103161 England. Registered Office Halfords Ltd., Icknield Street Drive. Washford West. Redditch. B98 ODE



## Schedule 7

### Extended Range

**This Schedule applies to extended range goods including but not limited to 14 digit goods, drop ship goods and Metapack.**

### Stock Feed

- 1.1. The Supplier shall provide Halfords with daily stock information on all lines listed on Halfords websites. This will be in the format of a CSV file listing the Supplier's item codes and quantities as described in the attached document.
- 1.2. The Supplier shall hold stock available for Halfords customer orders to the level given on the stock feed. Halfords websites will count down the available stock number as orders are taken and will over-write it when the next stock feed is received.

### Service Level

- 1.3. Unless otherwise agreed in writing and signed by both parties, the Supplier undertakes to pick, pack and despatch all Halfords customer orders on the day of receipt of the order from Halfords.
- 1.4. All Halfords customer orders shall be despatched and delivered with outer packing.

### Metapack

- 1.5. The Supplier shall use Metapack Delivery Manager to despatch web-generated customer orders via a Halfords specified courier. In the event that Halfords does not have a specified courier, it shall authorise the Supplier to use its own specified courier.

### Customer Service

- 1.6. The Supplier shall provide a Customer Service contact to Halfords who will provide full support to Halfords customers, either direct, via the Halfords Customer Services team, or via Halfords in-store colleagues, between the hours of 8.30am and 5.30pm. The services provided will include, but are not limited to:
  - a. Customer Assistance: provision of advice in the set-up and use of the Goods;
  - b. Faulty Goods: provision of spare parts and/or engineering support to the customer in line with their rights as a consumer and the Warranty; organisation of an immediate replacement or refund and uplift of the Faulty Goods, if required by the customer.
  - c. Rejected Goods – management of the return of rejected Goods as set out in this Agreement.

## 2. Set off

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

## 3. Returns

The Supplier agrees and accepts that;

- a. Where, in response to an order, Goods are delivered directly to Halfords' customers, that the customer may exercise its right to cancel the contract for the purchase of the Goods from Halfords in accordance with Halfords' customer terms and conditions (which may include cancellation rights under the Consumer Protection (Distance Selling) Regulations 2000).
- b. Should a Halfords customer reject the Goods at this point, then Halfords shall have the right to return the Goods to the Supplier and obtain a full credit from the Supplier for the price paid for the Goods within 60 days of Halfords' notice of return.
- c. Following receipt of notification of return from Halfords, the Supplier will, unless otherwise agreed with Halfords, either collect the Goods (or arrange collection of such Goods) from the point of the original delivery or from Halfords, at the Supplier's own expense.
- d. The Supplier will not impose handling charges upon Halfords for any orders delivered direct to Halfords stores and subsequently returned to or collected by the Supplier, nor shall the Supplier.
- e. Except where expressly stated otherwise, or to the extent that it conflicts with anything in this Schedule 7 and Schedule 4 shall apply to Extended Range Goods.

## Schedule 8

### Halfords Supplier Standards Manual

## INTRODUCTION

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### **PURPOSE OF MANUAL**

Halfords has invested in recent years to improve systems and supply chain efficiency. Progress has been made with the introduction of SAP, but to realise the true benefits of efficient supply management for both the company and its Suppliers, a high level of commitment is needed all round to ensure; products are forecasted, made available according to forecast, delivered on time, in full, and presented in the most efficient way to optimise unloading and forward allocation to stores.

The purpose of this manual is to highlight the key supply chain standards that Suppliers must adhere to when supplying products to Halfords. Going forward, Supplier compliance will be monitored more closely with regular reviews to check progress and review issues. Delivery and data requirements and the process for providing essential product information are clearly stated herein. A formal process for product recall is outlined and will be used for any such activity.

Suppliers should refer to Halfords' Standard Terms & Conditions for a full understanding of the trading requirements. Failure to meet all specified standards could result in financial penalties to offset any resulting additional costs incurred by Halfords.

If a Supplier feels unable to meet Halfords' standards, or has any queries relating to either this Manual or the Standard Terms & Conditions, they should discuss their issues with the relevant Halfords Supply Manager.

### **INNOVATION**

Halfords Group plc is keen to work with Suppliers to develop new and improved practices that deliver mutual and sustained benefits. Please contact the Halfords Group plc Supply Department to discuss in the first instance.

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## 2.0 PRODUCT DATA

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### **BARCODING**

Halfords uses Barcodes to track products through the entire Supply Chain, from receipt of goods through to sale to customers, and returns to Supplier if applicable. Clear and accurate first-time scanning of barcodes speeds the flow of goods through the Supply Chain, improves stock availability in stores, service to customers and general management of the chain.

Suppliers should refer to Halfords **BARCODE REQUIREMENTS** (see page 41). Non-compliance with the stipulated standards and requirements will incur financial penalties for compensation or refused deliveries (see page 63). The key points are highlighted below.

## Barcode policy

Use of EAN/UPC:	All items supplied to Halfords must incorporate a standard European Article Number (EAN) or Uniform Product Code (UPC) compatible barcode.
Standards Compliance:	Barcodes must follow the standards as per the ANA (Article Numbering Association) Operating Manual in the Supplier's country of origin. This will ensure 100% readability by Halfords EPOS and Goods In Scanning (GIS) equipment.
Barcode Approval:	Any new product offered for sale through Halfords must first have Barcode Approval from Halfords, likewise with any changes to existing products. The Halfords Product Manager will advise on how to get products approved.

## Supplier Barcoding Requirements

Registration:	Suppliers must be registered with their country's Barcode Association and hold a fully updated version of the respective Standards Operating Manual.
Provide information:	Suppliers must notify the relevant Halfords Product Manager immediately in the event of any changes to barcodes at any level (e.g. retail unit, pack, etc).
Give adequate notice:	Suppliers must give Halfords at least eight weeks notice of any changes.
Barcodes are 100% legible:	Suppliers must operate on-going quality checks to ensure 100% first time readability on Halfords Scanning Equipment. The Halfords Quality Department can advise on how to do this.

**N.B. Halfords will be under no obligation to accept delivery of products that do not meet these requirements.**

## Barcoding Approval Procedures

The Halfords Product Manager will be responsible for approving all Barcodes and Product Descriptions. Should Suppliers be unsure as to the suitability of barcodes for retail packs, traded units or pallet labels, samples should be made available to Halfords for verification and approval. The Halfords Buyer will advise on where to send such samples.

New Products:	When the Halfords Product Manager requests new product information, the Supplier must supply barcode numbers for the retail unit and pack quantity. An order cannot be raised for a new product without this information.
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Barcode Checks:	Barcodes will need to be checked for: <ul style="list-style-type: none"> <li>• Physical Location</li> <li>• Size and magnification</li> <li>• Print quality</li> <li>• Contrast factors</li> <li>• 'Scanability'</li> </ul>
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Advice will always be given on how to correct any infringements. Products will not be approved until such infringements are corrected.

Description Checks:	Product descriptions will be checked against the details printed on the product packaging or labels. Any discrepancies will be notified to the Supplier via the Halfords Product Manager.
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Failure to Comply:	Halfords will be under no obligation to accept delivery of any goods that do not meet the specified requirements.
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**N.B. Detailed barcoding requirements are outlined in the [BARCODE REQUIREMENTS](#) document below.**

## BARCODE REQUIREMENTS

This information is taken from the Halfords Quality Guidance Document on Packaging Requirements. For a copy of this document contact the Halfords Quality Department or visit Halfords Supplier Intranet.



The principal requirement is to provide a consistent format barcode on all merchandise supplied to Halfords, which **scan first time, every time**, on:

### - The retail packaging

Any item that can be priced, ordered, or invoiced (single unit or pack) within the supply chain can be identified with a globally unique number.

### - The group packaging/ multi-pack:

Group packaging must also be identified with barcode number.

Bar coding is mandatory with “zero-tolerance”. If any problems, deliveries will be rejected and returned to the supplier, or where necessary re-worked at supplier expense.

If there are any doubts as to the suitability of a barcode symbol, Suppliers are asked to seek advice from Halfords Quality team to get an approval prior to new packaging production. It is the supplier ultimate responsibility to ensure their barcode comply with these requirements and that they are readable by Halfords equipment.

### Symbol Type:

The supplier will code mark consumer packs to comply with the following requirements:

- "Article Numbering and Symbol Marking Operating Manual" published by the Article Numbering Association (ANA).
- ANA guidelines "Codes for Traded Units" and the ANA operating manual.

### - The retail packaging/consumer unit symbol requirement:

Thirteen digits EAN (European Article Number) barcode symbology (EAN-13) is preferred.

NB:

- Eight digit EAN bar code symbology (EAN-8) may be used where space is restricted following approval by Halfords.
- UPC codes (Universal Product Code) will only be accepted on proprietary items where the supplier does not have the ability to include an EAN bar code.

EAN-13



UPC-A



EAN-8



UPC-E



- **On multi-pack packaging/trade unit Barcode symbol requirement:**

ITF-14 and EAN-128 symbols shall be used on trade units.

**ITF-14** is a linear bar code holding a 14- digit number, enabling it to be printed directly on to board and on a brown board, or on a label.

ITF-14 bar code at 62.5% magnification



**UCC/EAN-128** bar code uses standard application identifiers to enable extra information, such as batch or serial numbers, expiry dates, to be shown alongside a GTIN.



NB:

- ANSI barcode will only be accepted on proprietary items where the supplier does not have the ability to include an EAN bar code.
- Should a supplier not be a member of the Article Number Association or be using bar code symbologies that do not meet Halfords requirements, arrangements must be made to have a self-adhesive bar code label applied to the item or its packaging.

## Position:

EAN 13:

- A single bar code must be clearly visible and positioned on a smooth surface. Multiple bar codes are not permitted on retail packaging.
- The barcode should be positioned on the natural design reverse of the packaging, located towards the base (except on large or heavy products).
- Bar codes including the light margin and human-readable characters should be positioned so that they are clear from any edge, overlap, crease, perforation, or tight curve by at least 5 mm.
- On curved containers, e.g. bottles and cans, the bar code should be orientated so the bars run in the direction of the curve, i.e. parallel with the base to assist scanning.
- Multi-packs article, sold as an individual item (such as kits), should have its own unique bar code. The wrapping of the multi-packs must obscure the symbols on the *individual* consumer unit barcode.
- When printing bar codes directly onto clear or opaque packaging substrates, a background panel of white is required to ensure sufficient contrast and prevent interference from the product contained within.
- Printing bar codes directly onto a product and/or packaging is preferred. Where it is necessary to print bar codes on to labels, swing tickets, or sleeves, representative samples of likely print quality must be submitted to Halfords Quality Department for approval.
- If the shape of the consumer item or packaging prevents the symbol from being brought into flat contact with the scanning surface, the distance between the symbol area and the scanning surface must not exceed 12 mm.

ITF 14 / EAN-128

- For multi-pack and transit box, the barcode shall be on the side to be easily accessible.

## Colours:

### EAN 13:

- Black bars on a white background are preferred. Red bars must not be used. Negative or reverse codes must not be used.
- Metallic colours must not be used for either bars or background.
- When printing bar codes onto areas of packaging having a metallic surface, the reflectivity must be masked with a white background panel.

### ITF 14 / EAN-128

- Should be printed directly on the brown corrugated case when possible.

## Symbol Size:

### EAN 13:

- The target magnification for symbol size is 100% [magnification factor (MF) of 1.0], requiring a space of 38 mm x 28 mm (allowing for light margins).
- Where space is limited, symbol size may be reduced to 80% magnification (magnification factor (MF) of 1.0), requiring a space of 30 mm x 21 mm (allowing for light margins).
- The minimum acceptable bar height is 16 mm.
- Screen printed bar code symbols have a magnification of not less than 120% (MF1.2), requiring a space of 45 mm x 32 mm (allowing for light margins).
- Correct light margins must always be used, which may be protected by the use of corner marks, the positioning of the first digit of the bar code number and the use of a chevron following the number.
- Halfords must agree the use of smaller magnifications and reduced truncations.

### ITF 14 / EAN-128

- ITF: The target magnification for symbol size is 62.5% for label printing symbols, and 100% for printing on fibreboard. The minimum acceptable bar height is 25 mm.
- EAN-128: The target magnification for symbol size is 50% for label printing symbols, and 100% for printing on fibreboard. The minimum acceptable bar height is 25 mm.

## Printing:

- The preferred method for bar code reproduction is to have the symbol included in original packaging artwork.
- Photocopying is not an acceptable printing method for bar codes.
- The printing of bar codes should be to a commercially acceptable standard, rub proof, and light fast. The bars must be free of imperfections such as slur, spots, voids, blemishes and colour variations.

## Verification:

- Verification testing of symbol production, including ink and substrate media is essential prior to implementing full production.
- Suppliers are invited to seek Halfords Quality team to get an approval prior to new packaging production if necessary.
- Halfords requires a minimum grade C (40%) scan against the ANSI standard test specification for bar code symbols, which must be achieved on the verification equipment employed by Halfords.



- It is the supplier's ultimate responsibility to ensure their barcode comply with these requirements and that they are readable by Halfords equipment.

For more information on barcodes, the Ecentre, [www.e-centre.org.uk](http://www.e-centre.org.uk), publish recommendation for best practice and "Basics and principles of EAN, UCC system".

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## 3.0 SUPPLY CHAIN

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### STOCK AVAILABILITY

Suppliers should collaborate with Halfords to ensure that their products are continuously in stock at Halfords DC. Halfords Supply Department will endeavour to schedule orders to achieve this, but would ask for your assistance in monitoring trends to highlight potential issues. Suppliers are expected to be proactive in terms of looking after their own interests; if your product stocks out, you will lose sales.

Information on Sales, Stock and Orders can be provided to help your planning via Halfords own Supplier Internet Site. Please contact your Halfords Merchandise Planner in the first instance to discuss further how you could benefit from subscribing to this site.

### Booking Confirmation

#### Deliveries

All bookings for Halfords DC are on a timed delivery basis. Bookings can be requested as soon as the purchase order is received. A booking must be requested for each vehicle. Suppliers must confirm their delivery at least 48 hours prior to the delivery, using e-mail as detailed below. Failure to comply with this instruction may result in delivery due dates being missed with a non-compliance instance being recorded against that Supplier.

Suppliers must complete the appropriate Booking Request Form, see appendix 4.3 and 4.4, and e-mail this to the E-Mail address printed on the booking form, as per the instructions below.

#### Advanced Shipping Number (ASN)

Once a delivery has been confirmed, Halfords will issue a unique Advanced Shipping Number (ASN). This must be quoted on all correspondence, delivery documentation and invoices relating to that delivery.

Please note, when confirming a delivery appointment each purchase order, to SKU (Stock Keeping Unit) unit level, must be accurately stated.

#### Amendments to ASN. Quantities

Any exceptions to the original booking must be mailed to the booking office, using the Booking Amendment Form at , no later than 48 hours prior to delivery. There will be only one opportunity to make any amendments. The site Goods-In office, unless otherwise advised, will book all stock on the purchase order as available for delivery. Any short shipments must be rounded down to the nearest full carton UOM, part cartons are not allowed.

## Product Details

The following details must always be available at the point of delivery confirmation:

- **Purchase Order Numbers**
- **Halfords SKU numbers**
- **Quantity of each SKU to be delivered in units**
- **Expected number of pallets, totes, and cartons to be delivered**
- **Contact number for Haulier or Supplier**

## Third Party Carriers

If a third party books and delivers on behalf of the Supplier, the Supplier remains accountable and will need to ensure that the third party follows the correct procedures and provides all of the required information.

## DISTRIBUTION CENTRE DETAILS

### Booking Offices

Details of our Distribution sites are given below:

Distribution Centre	Delivery Address	E-Mail & Emergency Contact
<b>Redditch</b>	Icknield Street Drive Washford Redditch B98 0DE	Washford.bookings@halfords.co.uk  Emergency Tel: 01527 513364
<b>Coventry</b>	Unit 4 West Avenue Central Boulevard Prologis Park Coventry CV6 4QA	Coventry.bookings@halfords.co.uk  Emergency Tel: 02476 549189

### Booking Details

**EMAIL is the preferred method for all delivery related correspondence.** Where the Supplier uses email to confirm booking, Halfords Goods-In department will confirm booking details within 1 working day of receipt of the email.

**Emergency Contact** In extreme circumstances it may be necessary to contact the distribution centre by telephone, see above. Please leave a voicemail message if your call is diverted to voicemail.

## DISTRIBUTION CENTRE DELIVERIES

### Opening times

**The Coventry distribution centre is open for In-bound deliveries between 06.00 Sunday and 06.00 Saturday including Bank Holidays, except Christmas and New Year's Day.**

### On Arrival

On arrival at one of Halfords Distribution sites, all vehicles **MUST** report to the site security office where the ASN will be checked against the delivery schedule for that day.

### Delivery Slot

If the ASN quoted does not correspond with an ASN expected on that day, the delivery might be refused entry to the site.

The delivery must not arrive any earlier than 30 minutes before the due time. Vehicles arriving before this may be required to

park off-site. Location details for local lorry parks are available from Halfords; however, Suppliers are reminded that all vehicles remain their responsibility.

**If a vehicle delay is expected please contact the Distribution Centre on their emergency number (see above).** Any vehicle arriving on site more than 30 minutes after their booking time will be unloaded at the discretion of Halfords. This may result in the vehicle being refused or delayed for a number of hours. A refused vehicle will require re-booking which is unlikely to be on the same day.

Deliveries arriving late may incur penalties as laid out in the Section 4.0.

Late deliveries will be monitored and reported back to Suppliers.

## **Delivery Checks**

All deliveries are received unchecked. A subsequent detailed check is performed and Halfords will notify the Supplier of a claim for discrepancies or damage up to **seven days** after the delivery.

## **Health & Safety**

In line with the Health and Safety at Work Act (1974), each site will exercise the right to reject loads that pose a risk to Health and Safety. Vehicles delivering to Halfords warehouses must be roadworthy and safe. Defects, particularly in the deck of the vehicle could lead to the load being refused on safety grounds, rendering the supplier liable to a penalty as set out in section 4.0.

## **Site Regulations**

All vehicles visiting Halfords sites must be road legal.

All drivers must report to the Security Office upon arrival on site.

All Vehicles will be subject to security checks on leaving the site. Drivers who refuse the search policy will not be allowed back on site.

Halfords retain the right to expel or refuse entry to specific drivers or vehicles.

Drivers should be unaccompanied. All passengers will be expected to remain outside the DC boundaries, irrespective of age or gender.

Toilet facilities are available for drivers.

No smoking is allowed on Halfords premises.

## **Safe Working Practices Drivers**

Drivers must adhere to the following mandatory rulings on **For** all Halfords sites:

**High visibility Lumi-vests or jackets and safety shoes or boots must be worn at all times when outside the vehicle.**

You must adhere to the marked pedestrian walkways at all times where physically possible. When unable to, ensure that you go via the shortest possible route until back on them.

You must put on both your 4-way reversing lights / hazards and audible horn when backing onto your designated bay.

You must never exit your cab and make your way to the rear of another driver's vehicle / trailer when it is on the unloading bays.

## **Delivery Documentation**

The contents of the delivery to the DC should be included on one delivery note. The delivery note must contain the following information:

- **ASN Booking Reference and Date**
- **Purchase Order number**
- **Halfords SKU number, description and quantity.**

**Delivery drivers must hand in a copy of the delivery paperwork relating to the load when they hand in their keys to the Goods In Office. Failure to supply delivery documentation separate from the load itself will be classed as a non-compliance.**

Documentation that refers to multi-part products should list all component parts for each product.

Products delivered by third party carriers or couriers must have delivery documentation on the outside of the boxes.

Failure to include all required information could result in a refused load or compensation to Halfords, see Schedule of Penalties Section 4.0. The same applies to paperwork that is not sufficiently legible.

Any shipment from Europe requires compliance with CMR, ('Convention Relative au Contrat de Transport International de Marchandises par la Route) – in English the convention relating to the transport of goods across national borders). The CMR rules are set out by the Geneva treaty of 1956. The DC will apply a company stamp and sign, noting any discrepancies. This is a legal requirement.

## **DIRECT DELIVERIES TO STORES**

### **Direct Deliveries to Stores**

All direct deliveries to stores must be conducted in accordance with the principles of the Workplace Health Safety and Welfare Regulations and Health and Safety Executive guidance on workplace transport safety.

When approaching or leaving the back door of the store delivery vehicles must not reverse in an area where the public walk unless they have adequate reversing aids such as.

- reversing sensors
- reversing cameras
- banksman.

Within the Halfords portfolio there are stores at which an articulated vehicle would have to reverse through a public area.

Information and training is provided in these stores to enable staff to assist by observing the path of a reversing vehicle if necessary in order to tell the driver to stop if a pedestrian enters the blind zone at the rear.

If reversing is necessary and the above reversing aids are not provided drivers must request assistance from a store watcher before commencing to reverse.

Halfords holds a list of stores where articulated lorries need to reverse in public. If you require a copy of this contact your supply manager.

In line with the Health and Safety at Work Act 1974, each site will exercise the right to reject loads that pose a significant risk to Health and Safety of the staff that cannot be addressed locally.

## Third Party Carriers

If a third party delivers direct to stores on your behalf, they too will need to follow the above vehicle reversing requirements.

## LOAD PLANNING

### Vehicle Types:

**Palletised** deliveries from suppliers should be on either boxed or curtain sided vehicles with rear access, which are compatible with goods-in bays of 1.2 metres high. Dock Levellers will be in operation. Flat Bed vehicles with sheeted and roped deliveries are not acceptable and will be refused.

Loose loaded carton deliveries are only accepted if the carton count is less than 12 and if no carton weighs more than 20kg. If you require further advice on options available to you please contact your Merchandise Planner, who will put you in touch with a relevant Logistics contact.

Deliveries made in containers or by airfreight must be agreed in advance with the Halfords Import Team. Containers are acceptable on deliveries from the Far East, but containers from Europe or loose loaded vehicles will only be accepted by prior agreement with the relevant Merchandise Planner and Imports Manager.

## Vehicle Access

**Access to the rear of the vehicle is required. No side tipping is permitted.**

The Vehicle/Trailer deck must be of sufficient strength to support the load it carries plus the weight of a manned power pump truck, which must be able to enter onto the deck and tip safely.

## LOAD CONFIGURATION

### Toted Products

In Halfords Warehouse, very small or slow moving products are picked from an in-house Tote Bin. It is our intention to develop, where appropriate, the use of this equipment as an alternative storage medium to normal packaging of products that fall into this category.



## **Benefits**

The moulded Tote Bin replaces outer, and in some cases inner packaging. It provides substantial protection for products packed into it and reduces the potential for damage.

Tote Bins are designed to fit onto standard 1000 x 1200 mm pallets and can be safely stacked to make the best use of vehicle space.

Stock can be immediately processed through the Goods-In Department without the need to carry out an additional unpacking operation.

The problems associated with the removal and disposal of surplus packaging materials are eliminated. The Totes are constantly recycled and therefore meet Halfords environmental objectives.

## **Pack Quantities**

Where applicable, items will be ordered in full Tote multiples. The introduction of Totes and the quantities to be packed per Tote will be established and agreed with the Supplier. It is important that these pack quantities are strictly adhered to for all deliveries.

Slower moving items will be ordered in quantities less than a full Tote.

## **Provision Of Totes**

Halfords will undertake to provide sufficient Tote Bins for suppliers to meet their delivery commitments. These will be replaced, one for one, at the point of delivery and will be increased to meet expected increases in demand.

A record will be kept of all Totes issued and returned. The quantity of Totes held by suppliers will be audited from time to time and suppliers may be charged a fee for unaccountable Totes at the current replacement value.

## Implementation

Suppliers of products appropriate for “Toting” will be contacted by Halfords Merchandise Planner to discuss the benefits of using this equipment. Tote requirements and individual Tote quantities will be agreed at this point. This agreement will then form the basis of a Contractual arrangement between Halfords and the Supplier, covering all aspects of the use of this equipment.

The requirement to pack goods in Totes and the quantity to be packed will be indicated on each purchase order for the relevant items. The following requirements must be met where Toting is indicated.

1. 20 Totes may be delivered per pallet provided that the Totes are shrink wrapped or secured by elastic strap. Each pallet may contain up to 20 different items. Only one SKU per tote.
2. Each pallet must be accompanied with a pallet header sheet laid out in the format shown in Appendix 3.1 and Appendix 3.2, detailing the ASN, Purchase Order Number, Halfords SKU numbers and quantities of each Tote on the pallet. The pallet header sheets should be securely attached to two adjacent sides of the pallet.
3. Each Tote must be labelled with the Halfords SKU number and quantity in the Tote. The label should be looped through the slot on the front of the Tote and secured by a staple or sellotape. This will ensure that the label remains secured during transporting and unloading. All Tote labels must be visible from the outer facing side of the Tote. Labels should not be taped or secured to the body of the Tote nor should any existing Halfords labels be removed.
4. Each Tote must not exceed 20kg in weight, including the weight of the Tote box. Product must be packed in a way, which ensures that the height of the Tote is not exceeded.

## Pallet Type

Palletised loads must be made on good quality 1200mm x 1000mm four-way entry pallets, with the product securely attached. Pallets that do not conform will be rejected. To avoid doubt, pallets should conform to BS2629 Part III. (See the ‘Pallet Specification’ below).

## TI HI

The height of the product stack on the pallet should be no more than 1.40 metres exclusive of pallet unless otherwise stated on the purchase order. The maximum weight of the pallet is 1000kg.

All products must be clearly visible and barcodes accessible for scanning without moving the products. **There should be no pallet overhang.**

## Pallet Header Sheets

For single SKU pallets, each pallet must have two separate pallet header sheets in the format shown in Appendix 3.1, detailing the ASN, Purchase Order Number, Halfords SKU number, and the quantity on the pallet. Failure to comply could result in the stock being refused.

For mixed SKU pallets, each pallet must have two separate header sheets in the format shown in Appendix 3.2, detailing the ASN, Purchase Order Number, Halfords SKU numbers and quantities.

The pallet header sheets should be visible and securely attached to adjacent sides.

## **Pallet Presentation**

Suppliers must inform the Halfords Merchandise Planner of any changes in product pack size or pallet configuration prior to delivery.

When a multi-part product is being delivered, components of that product should be palletised in such a way that a pallet comprises complete systems. Component parts should carry individual barcodes.

Each pallet must be wrapped using clear stretch wrap of at least 17-micron thickness. The wrap is to be tied to the base of the pallet and extended to the full height of the pallet so that no products are exposed.

Where required, packages should be clearly labelled with hazard warnings and pictograms in accordance with the Classification, Labelling and Packaging (CLP) of Substances and Mixtures Regulation (EC) No. 1272/2008.

## **Pallet Exchange**

Good quality four-way pallets will be exchanged on a one to one basis where requested. Any pallet deemed scrap would be transferred to Halfords for disposal as it sees fit.

Poor quality pallets will not be exchanged for good ones. Suppliers are responsible for checking the quality of any pallets they receive back. Euro pallets cannot be exchanged.

## **Delivery Performance Monitoring**

Delivery performance will be measured rigorously against the set standards. Details of non-compliance will be provided in the first instance to the Supplier's regular Supply contact. This will be supported by evidence of failure to comply, e.g. timings, digital pictures, barcode error details, booking in details, etc. If appropriate, of Penalties Section 4.0).

The objective is to enable both Halfords and the Supplier to work together to reduce costs and improve product availability to the customer.

Suppliers are advised to use the Pre-Delivery Check List in Appendix 4.1.

## **Back Loading**

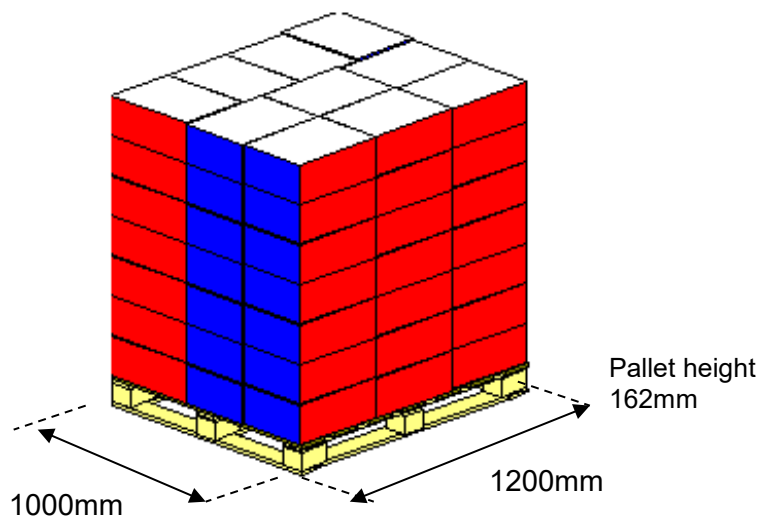
Halfords have implemented Back Loading arrangements with a number of Suppliers and will continue to develop further arrangements. There are mutual benefits and both parties should find it financially rewarding.

If you would like further information please contact your Merchandise Planner who will put you in touch with the appropriate people.



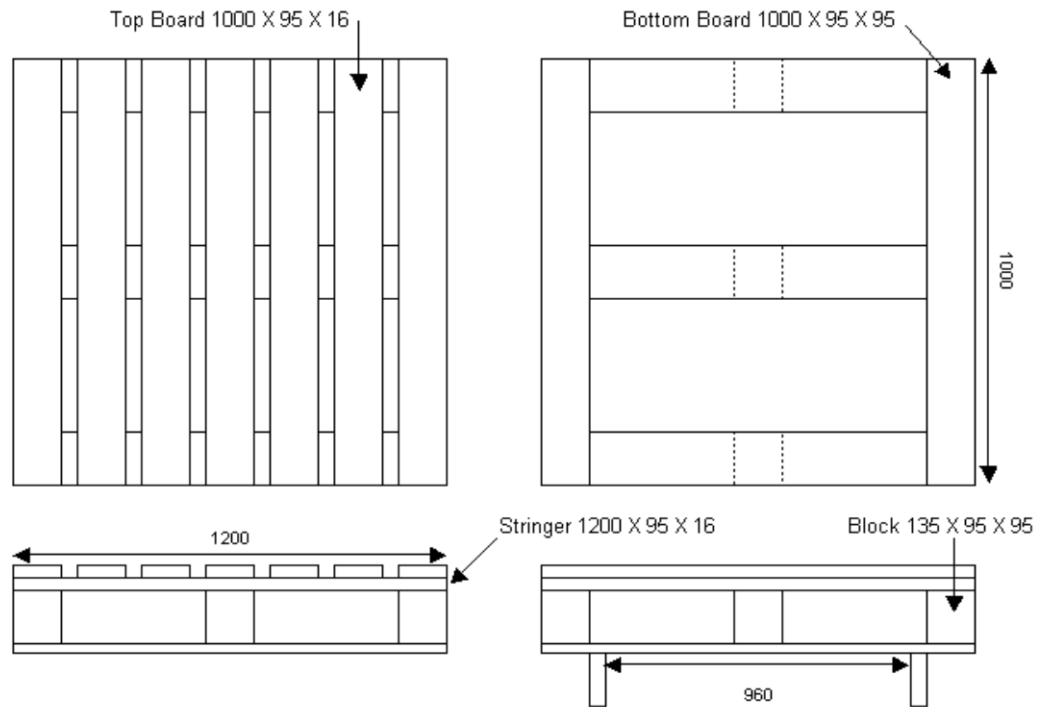
## PALLET SPECIFICATION

<b>Description:</b>	Four-way entry (non-reversible) full base wooden pallet	
<b>Nominal Dimensions:</b>	External	Base: 1200mm x 1000mm x 160mm Loaded height: <b>Full pallet height 1,400 mm excluding the pallet, Half Pallet Height 610 mm excluding the pallet.</b> (Tolerances, plan and height = 10mm)
<b>Materials:</b>	Timber Nails	Portuguese maritime pine or equivalent Mild steel
<b>Weight:</b>	Range Average	22-50kg, dependent on moisture content 28kg
<b>Load capacity:</b>	1000kg, evenly distributed	
<b>Standards:</b>	BS2629 Part 111 1978 ISO 8611	
<b>Storage:</b>	When empty, pallets can be stored 30 high on a level and solid base	
<b>Limitations of Use:</b>	Can be block stacked up to 1000kg on each pallet on a Level and solid base	



**NB. Products must not overlap the pallet or any of the sides**

## Pallet Specifications



**Pallets must conform to BS2629 (Part III) ISO8611**

In particular pallets must:

- be of size 1200mm x 1000mm
- be four way entry
- have a full perimeter base
- be of wooden construction

Max deflection 10 mm loaded

## Appendix 3.1

# PALLET HEADER SHEET

(For single SKU pallets)

**Supplier\***

**PURCHASE ORDER NUMBER \***

**Advanced Shipment Number  
(ASN)\***

**HALFORDS SKU NUMBER\***

**QUANTITY (Units)\***

*Per pallet*

**Notes**

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**HEADER SHEET TO BE ATTACHED TO TWO ADJACENT SIDES OF THE PALLET**

**\* Mandatory Entry** – Failure to complete may result in the delivery being refused



## SUPPLIER PERFORMANCE

### SUPPLIER PERFORMANCE

Suppliers will be monitored against the standards set out in this document by the Supply Manager and DC Management team.

### SCHEDULE OF LIQUIDATED DAMAGES

Failure to achieve the specified standards may result in loss to Halfords and the Supplier agreed to pay the sums set out below which are a genuine estimate of the loss suffered by Halfords as a result of the Supplier's failure.

When a Supplier fails to meet a particular standard they will be informed in writing by the Merchandise Planner and asked to produce an action plan to rectify the situation or prevent recurrence. Actions and timescales will be by agreement with Halfords. If performance does not improve, the Supplier will again be informed in writing and may be recharged for any subsequent costs incurred by Halfords. A further period for improvement will be allowed, after which any non-compliant deliveries will be refused, the reasons for which will be confirmed in writing, and any resulting financial losses to Halfords will be recharged.

**NB.** Halfords will not accept waiting or redelivery charges from Suppliers or third party carriers.

### Delivery Checklist.

#### PRE - DELIVERY CHECK LIST

Palletised Stock	YES	NO
Have good quality standard 1000mm x1200mm, four way entry, full perimeter base pallets been used? <b>See pages 60 and 61 for full pallet specification</b>		
One item code per pallet only (NO mixed pallets)		
Correct TiHi as per Purchase Order documentation		
Have all aspects of the Pallet Header Sheet (1/2 pallet and full Pallet) been completed and attached to one of the 1000mm sides of the pallet? <b>See Page 62 for a sample Pallet Header Sheet</b>		
Have the products been secured safely to the pallet to ensure no movement during travel?		
Toted Stock	YES	NO
One item code per Tote <b>ONLY</b>		
Weight of each Tote does NOT exceed 20 Kg		
Maximum of 20 Totes to a pallet		
Have all aspects of the Pallet Header Sheet (Toted Stock) been completed and attached to one of the 1000mm sides of the pallet? <b>See Page 60 for a sample Toted Header Sheet</b>		
Have the Totes been secured safely to the pallet to ensure no movement during travel?		
Delivery Appointment	YES	NO

Pre Booked the delivery slot at least 72hrs prior to the delivery (including fixed delivery slots)
Has Booking Clerk been notified of any adjustments to the Purchase Order?
Has the ASN number been entered on to all documentation?
Has a copy of the delivery note/s accompanying the load been given to the driver to hand in with his keys to the Goods In Office?


## SCHEDULE OF LIQUIDATED DAMAGES

Reasons	Policy
---------	--------

	LOSS TO HALFORDS	INVOICE SUPPLIER	ALTERNATIVE
1.0	Failure to Barcode Standards (No Barcode, Incorrect, Illegible)	£1000	Or refuse load
2.0	Load contains damaged stock (Above AQL of 0.65)	£500	Or refuse load
3.0	Vehicle fails to arrive on specified day	£2000	-
3.1	Vehicle arrives more than 2 hours late	£500	Plus load may be refused
3.2	Vehicle leaves un-tipped less than 2 hours from Booking Time	£500	-
3.3	Vehicle arrives without an authorised Booking	£500	Or refuse load
4.0	Product presentations not as specified in Supplier Manual	£500	Or refuse load
4.1	Component parts not delivered on same pallet	£500	Or refuse load
4.2	Pallet quality not as specified in supplier manual	£500	Or refuse load
5.0	Units delivered do not equate to quantity booked	£100	Or refuse excess qty
5.1	Driver's paperwork incorrect (Nil paperwork, No Booking Ref Quantity variance).	£100	Or refuse load

## Booking In Request Form

### Supplier Details

(Please Complete all Sections)

Supplier Name		Supplier Telephone Number	
Contact Name		Contact Telephone Number	
		E-mail address	

### Booking Details

(Please Complete all Sections)

HALFORDS LTD, COVENTRY DC, UNIT 4 WEST AVENUE, CENTRAL BOULEVARD, PROLOGIS PARK, CV6 4QA  
 E-MAIL COVENTRY.BOOKINGS@HALFORDS.CO.UK. **IN THE EVENT OF NEEDING TO CONTACT THE DC**  
**URGENTLY WITH NO ACCESS TO EMAIL RING 02476 549189**

Purchase Order Number		Total Toted Product Pallets	
Purchase Order Delivery Date		Total totes	
Date Booking Requested		Total Loose Cartons	
Name of Carrier		Total Single Line Bulk Pallets	

	Purchase Order Number	Item Code	PO Quantity	Quantity to be Delivered
<b>Exception Information</b> e.g.				

### Confirmation Details

ASN NUMBER:		SCHEDULE DATE:	
		SCHEDULE TIME :	

## Amendment Details

(Please Complete all Sections)

Original Purchase Order	
Additional Purchase Order	
Total Toted Pallets Revised	
Total Loose Cartons Revised	
Total Single Line Bulk Pallets Revised	

**Exception Information** e.g.

Purchase Order Number	Item Code	Original PO Quantity	Revised Quantity to be Delivered

Please be aware that any amendments regarding the delivery date, quantities or items to the already confirmed ASN, will be accepted only once

## Confirmation Details

ASN NUMBER:		SCHEDULE DATE:	
		SCHEDULE TIME :	

(Please ensure that the driver quotes the ASN upon arrival)

### Please Ensure :

The driver quotes the ASN upon arrival.

The Delivery is expected & allowed on site 30 Minutes prior to booking slot.

A Header sheet is attached to the long side of each pallet stating all the required information, for both Bulk and Toted Articles.



## Appendix 4.1

### Delivery Checklist.

#### PRE - DELIVERY CHECK LIST

Pallet Sheets and Presentation		YES	NO
Have good quality standard 1000mm x1200mm, four way entry, full perimeter base pallets been used?			
One SKU per pallet only unless you are an approved mixed pallet supplier.			
Correct TiHi as per Purchase Order documentation			
Have all aspects of the relevant Pallet Header Sheet (been completed and attached to two adjacent sides of the pallet? <b>See appendix 3.1 and 3.2</b>			
Have the products been secured safely to the pallet to ensure no movement during travel?			
Toted Stock		YES	NO
One item code per Tote <b>ONLY</b>			
Weight of each Tote does NOT exceed 20 Kg			
Maximum of 20 Totes to a pallet			
Have the Totes been secured safely to the pallet to ensure no movement during travel?			
Delivery Appointment		YES	NO
Pre Booked the delivery slot at least 48 hours prior to delivery if you have a fixed slot or 72 hours prior to the delivery if you do not have a fixed slot?			
Has Booking Clerk been notified of any adjustments to the Purchase Order?			
Has the ASN number been entered on to all documentation?			
Has a copy of the delivery note/s accompanying the load been given to the driver to hand in with his keys to the Goods In Office?			

## Appendix 4.3

SECTION 2 - COMPLETE IN ALL CASES				
Booking Details				
<b>HALFORDS LTD, COVENTRY DC, UNIT 4 WEST AVENUE, CENTRAL BOULEVARD, PROLOGIS PARK, CV6 4QA</b> <b>E-MAIL COVENTRY.BOOKINGS@HALFORDS.CO.UK</b> <b>THE PREFERRED MEDIUM FOR CONTACTING THE DC IS BY EMAIL</b> <b>IN THE EVENT OF NEEDING TO CONTACT THE DC <u>URGENTLY PLEASE RING 02476 549189</u></b>				NOTE:-
Delivery Date Supplier requesting	PO number (s)	PO delivery Date	Total Number of Pallets on this delivery - See below.	
			Total Number of Single Cartons (not palletised)	
			Note:- Total Number of pallets should equal the number of single stacked pallet equivalents, not lifts. For example, if the consignment consists of 6 stacks of 2 pallets on top of each other	
	Name of Carrier			
SECTION 3 - COMPLETE ONLY IF THE ORDER/S WILL <b>NOT</b> BE DELIVERED IN FULL				
	Purchase Order Number	Item Code	Original PO Quantity (or back order qty left on PO)	Quantity to be Delivered on this booking request
AN ASN CANNOT BE MADE IF YOU ARE BOOKING MORE STOCK THAN IS ON THE PURCHASE ORDER. IF IN DOUBT, CONTACT YOUR MERCHANDISE PLANNER.				
FAILURE TO COMPLETE THIS FORM ACCURATELY WILL DELAY A BOOKING BEING MADE. IT COULD ALSO RESULT IN THE DELIVERY BEING REFUSED AND COULD RESULT IN A FINE FOR FAILING TO ADHERE TO HALFORDS TERMS AND CONDITIONS.				
Please use different form if requiring more than 1 trailer in same day				
Confirmation Details - Halfords Logistics To Complete				
ASN NUMBER:		SCHEDULED DATE:		
		SCHEDULED TIME :		
<b>Please Ensure :</b> The driver quotes the ASN upon arrival. The Delivery is expected & allowed on site 30 minutes prior to booking slot. A Header sheet is attached to the long side of each pallet stating all the required information, for both Bulk and Toted Articles.				

## Appendix 4.4

Booking In Request Form - MORE THAN 1 VEHICLE (SAME DAY)				
SECTION 1 - COMPLETE IN ALL CASES				
Supplier Details				
Supplier Name <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>				
SECTION 2 - VEHICLE #1 (COMPLETE IN ALL CASES)				
Booking Details				
HALFORDS LTD, COVENTRY DC, UNIT 4 WEST AVENUE, CENTRAL BOULEVARD, PROLOGIS PARK, CV6 4QA E-MAIL: COVENTRY.BOOKINGS@HALFORDS.CO.UK THE PREFERRED MEDIUM FOR CONTACTING THE DC IS BY EMAIL IN THE EVENT OF NEEDING TO CONTACT THE DC URGENTLY PLEASE RING 02476 549189				NOTE:- The preferred medium for contacting the DC is by email. In the event of needing to contact the DC urgently please ring 02476 549189.
Delivery Date Supplier requesting  Name of Carrier	PO number (s)	PO delivery Date	Total Number of Pallets on this delivery - See below.	
			Total Number of Single Cartons (not palletised)	
	Note:- Total Number of pallets should equal the number of single stacked pallet equivalents, not lifts. For example, if the consignment consists of 6 stacks of 2 pallets on top of each other the number to be entered is 6 x 2 = 12.			
SECTION 3 - COMPLETE LOAD FOR VEHICLE #1				
AN ASN CANNOT BE MADE IF YOU ARE BOOKING MORE STOCK THAN IS ON THE PURCHASE ORDER. IF IN DOUBT, CONTACT YOUR MERCHANDISE PLANNER.   FAILURE TO COMPLETE THIS FORM ACCURATELY WILL DELAY A BOOKING BEING MADE. IT COULD ALSO RESULT IN THE DELIVERY BEING REFUSED AND COULD RESULT IN A FINE FOR FAILING TO ADHERE TO HALFORDS TERMS AND CONDITIONS.	Purchase Order Number	Item Code	Original PO Quantity (or back order qty left on PO)	Quantity to be Delivered on TRAILER #1
Confirmation Details - Halfords Logistics To Complete				
VEHICLE #1 ASN NUMBER:		SCHEDULED DATE: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> SCHEDULED TIME: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		
SECTION 4 - VEHICLE #2 (COMPLETE IN ALL CASES)				
Booking Details				
HALFORDS LTD, COVENTRY DC, UNIT 4 WEST AVENUE, CENTRAL BOULEVARD, PROLOGIS PARK, CV6 4QA E-MAIL: COVENTRY.BOOKINGS@HALFORDS.CO.UK THE PREFERRED MEDIUM FOR CONTACTING THE DC IS BY EMAIL IN THE EVENT OF NEEDING TO CONTACT THE DC URGENTLY PLEASE RING 02476 549189				NOTE:- The preferred medium for contacting the DC is by email. In the event of needing to contact the DC urgently please ring 02476 549189.
Delivery Date Supplier requesting  Name of Carrier	PO number (s)	PO delivery Date	Total Number of Pallets on this delivery - See below.	
			Total Number of Single Cartons (not palletised)	
	Note:- Total Number of pallets should equal the number of single stacked pallet equivalents, not lifts. For example, if the consignment consists of 6 stacks of 2 pallets on top of each other the number to be entered is 6 x 2 = 12.			
SECTION 5 - COMPLETE LOAD FOR VEHICLE #2				
AN ASN CANNOT BE MADE IF YOU ARE BOOKING MORE STOCK THAN IS ON THE PURCHASE ORDER. IF IN DOUBT, CONTACT YOUR MERCHANDISE PLANNER.   FAILURE TO COMPLETE THIS FORM ACCURATELY WILL DELAY A BOOKING BEING MADE. IT COULD ALSO RESULT IN THE DELIVERY BEING REFUSED AND COULD RESULT IN A FINE FOR FAILING TO ADHERE TO HALFORDS TERMS AND CONDITIONS.	Purchase Order Number	Item Code	Original PO Quantity (or back order qty left on PO)	Quantity to be Delivered on TRAILER #2
Confirmation Details - Halfords Logistics To Complete				
VEHICLE #2 ASN NUMBER:		SCHEDULED DATE: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> SCHEDULED TIME: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		
Please Ensure : The driver quotes the ASN upon arrival. The Delivery is expected & allowed on site 30 minutes prior to booking slot. A Header sheet is attached to the long side of each pallet stating all the required information, for both Bulk and Toted Articles.				
SECTION 6 - BACK ORDER / NON-DELIVERED QTY				
USE THIS SECTION TO ADVISE OF ANY SHORTAGES FROM PO'S NOT BEING DELIVERED ON THESE 2 VEHICLES				
Purchase Order Number	Item Code	Original PO Quantity (or back order qty left on PO)	Qty not being delivered	



## Schedule 9

### Data Protection Addendum

Please note that this Schedule is to be completed and incorporated where the Supplier processes Personal Data on behalf of Halfords.

#### 1. MUTUAL OBLIGATIONS

- 1.1 Each party will be solely and individually responsible for meeting its own legal obligations under Data Protection Laws.
- 1.2 In fulfilling the provisions of this Agreement, neither party will act in any way that would, or may, cause the other party to breach any of its direct obligations under Data Protection Laws.
- 1.3 For the purposes of the data processing that is to be enabled by this Agreement, Halfords will be Data Controller ("**Data Controller**") and the Supplier will be Data Processor ("**Data Processor**").
- 1.4 The Data Processor warrants and represents to the Data Controller that the processing it will undertake on behalf of the Data Controller will be strictly limited to the extent set out in Annex A below. The Data Processor will not undertake any further processing without the prior written consent of the Data Controller, to include, but not limited to, an updated version of this Agreement.
- 1.5 Specifically, the Data Processor will not transfer the Personal Data to any country outside the United Kingdom or to any international organisation without the Data Controller's prior written consent.
- 1.6 Without prejudice to clauses 1.4 and 1.5, the Data Controller recognises that there may be occasions where the Data Processor is required to process the Personal Data in order to comply with applicable laws. In these circumstances, the Data Processor is permitted to process the Personal Data for this purpose, but will (to the extent that it is legally permitted to do so) notify the Data Controller of such processing as soon as possible and no later than within 72 hours.
- 1.7 Nothing within this Agreement shall relieve the Data Processor of its obligations under Data Protection Laws including its obligations to:
  - 1.7.1 co-operate with all relevant Supervisory Authorities (such as the Information Commissioner's Office);
  - 1.7.2 employ a Data Protection Officer (if required to do so); and
  - 1.7.3 appoint (in writing) a representative within the EU in order to ensure compliance with applicable Data Protection Laws (if required to do so).

#### 2. SUB-PROCESSORS

- 2.1 In fulfilling this Agreement, the Data Processor will ensure that the Data Controller's Personal Data is not transferred to any other organisation or sub-processor, or that the Personal Data is able to be accessed by any other organisation or sub-processor, without first securing the Data Controller's explicit consent.
- 2.2 All third-party organisations and/or sub-processors identified by the Data Processor prior to the commencement of this Agreement as being critical to the processing and therefore the fulfilment of this Agreement, are described in Annex A, and it is an assumption of this Agreement, that these are approved by the Data Controller.
- 2.3 Without prejudice to clause 2.2, where the Data Processor subcontracts any of its obligations under this Agreement, with the consent of the Data Controller, it will do so only by way of a written contractual agreement with the sub-processor. Such contractual

agreement must impose upon each sub-processor, the same obligations as are imposed upon the Data Processor by this Agreement.

- 2.4 Where a sub-processor appointed by the Data Processor fails to fulfil its obligations under Data Protection Laws or this Agreement, the Data Processor will remain fully liable to the Data Controller.

### **3. SECURITY CONTROLS**

- 3.1 Taking into account the nature, scope, context and purposes of processing the Personal Data, as well as the risks of varying likelihood and severity for the rights and freedoms of natural persons, the Data Processor will be responsible for ensuring, at its own cost and expense, that appropriate technical and organisational measures in relation to the processing of the Personal Data are implemented and maintained:

3.1.1 such that the processing will meet the requirements of Data Protection Laws and ensure the optimum protection of Data Subjects' rights;

3.1.2 so as to ensure that by default, only that Personal Data which is necessary for each given and specific purpose is processed, whereby such obligation is applied to the amount of Personal Data collected, the extent of the processing, the period of the Personal Data's storage and its accessibility; and

3.1.3 so as to ensure a level of security appropriate to the risks that are presented by the processing, in particular from accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to the Personal Data whether transmitted, stored or otherwise processed. This includes:

- i. maintaining adequate technological, organisational and physical controls in respect of any environment in which the Personal Data is stored;
- ii. ensuring that the Personal Data is suitably encrypted both at rest and in transit; and
- iii. taking any other measures as are reasonably necessary in order to prevent any use or disclosure of the Personal Data other than as allowed under the provisions of this Agreement.

- 3.2 Without prejudice to clause 3.1, the Data Processor will, in respect of the Personal Data processed by it under the provisions of this Agreement, comply with the requirements regarding security of processing set out in Data Protection Laws (as applicable to Data Processors), in addition to all relevant Data Controller policies and this Agreement.

- 3.3 The Data Processor will, at its own cost and expense, provide such information, co-operation and other assistance as the Data Controller reasonably requires (taking into account the nature of processing and the information available) to ensure the Data Controller's compliance with its obligations under Data Protection Laws, including with respect to:

- i. security of processing;
- ii. completion of data protection impact assessments; and
- iii. prior consultation with a Supervisory Authority regarding high risk processing.

### **4. PERSONNEL**

- 4.1 The Data Processor will ensure that:

4.1.1 all personnel processing Personal Data are subject to a binding written contractual obligation with the Data Processor to keep the Personal Data confidential;

4.1.2 access to the Personal Data will be restricted only to those personnel who require it for the purposes of fulfilling the obligations of this Agreement; and

- 4.1.3 any personnel processing Personal Data are suitably skilled and experienced, and have received adequate training on compliance with Data Protection Laws applicable to the processing.

## **5. DATA SUBJECTS' RIGHTS**

- 5.1 The Data Processor will at no cost to the Data Controller:
  - 5.1.1 immediately record and refer all Data Subject requests (which refers to any request made by a Data Subject to exercise their rights and freedoms pursuant to applicable Data Protection Laws) it receives to the Data Controller within two (2) business days of receipt;
  - 5.1.2 provide such information and cooperation and take such action as the Data Controller reasonably requests in relation to a Data Subject request, within the timescales reasonably required by the Data Controller; and
  - 5.1.3 not respond to any Data Subject request without the Data Controller's prior written approval.

## **6. BREACH NOTIFICATION**

- 6.1 In the event of a breach of Personal Data as defined within Data Protection Laws (and such breach will therefore specifically include any event which has led to, or which could cause, the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, any Personal Data for which Halfords is Data Controller), the Data Processor will:
  - 6.1.1 notify the Data Controller without undue delay (but in no event, no later than six (6) hours after becoming aware of the breach); and
  - 6.1.2 provide the Data Controller without undue delay (but in no event, no later than twenty-four (24) hours after becoming aware of the breach) with such details as are reasonably required regarding:
    - i. the nature of the breach, including the categories and approximate numbers of Data Subjects and data records concerned;
    - ii. any investigations into such breach;
    - iii. the likely consequences of the breach; and
    - iv. any measures taken, or that the Data Processor recommends, to address the breach, including to mitigate its possible adverse effects, provided that, (without prejudice to the above obligations) if the Data Processor cannot provide all these details within such timeframes, it shall (before the end of this timeframe) provide the Data Controller with reasons for the delay and when it expects to be able to provide the relevant details (which may be phased), and give the Data Controller regular updates on these matters.

## **7. DELETION OR RETURN OF DATA**

- 7.1 The Data Processor will without delay, at the Data Controller's written request, either delete or securely return all the Personal Data to the Data Controller in such form as the Data Controller reasonably requests after the earlier of:
  - i. the end of the provision of the relevant Services related to processing; or
  - ii. once processing by the Data Processor of any Personal Data is no longer required for the purpose of the Data Processor's performance of its relevant obligations under this Agreement.
- 7.2 Where the Personal Data is to be destroyed, the Data Processor will securely delete all existing copies unless storage of any Personal Data is required by applicable law and, if so, the Data Processor will inform the Data Controller of any such requirement.

## **8. AUDIT AND RECORDS**

- 8.1 The Data Processor will maintain complete, accurate and up-to-date written records of all categories of processing activities carried out on behalf of the Data Controller, containing such information as the Data Controller may reasonably require, including:
  - 8.1.1 the categories of processing carried out on behalf of the Data Controller;
  - 8.1.2 where applicable, details of transfers of Personal Data to an international recipient; and
  - 8.1.3 a comprehensive description of the technical, physical and organisational security measures referred to Annex A.
- 8.2 The Data Processor will make available to the Data Controller on request and in a timely manner (and in any event within two (2) business days):
  - 8.2.1 copies of the records under clause 8.1; and
  - 8.2.2 such other information as the Data Controller reasonably requires in order to demonstrate the Data Processor's compliance with its obligations under Data Protection Laws and this Agreement.
- 8.3 The Data Processor will at no cost to the Data Controller:
  - 8.3.1 allow for and contribute to audits, including inspections, conducted by the Data Controller or another auditor mandated by the Data Controller, for the purpose of demonstrating compliance by the Data Processor with its obligations under Data Protection Laws and this Agreement;
  - 8.3.2 allow for and contribute to Privacy and/or Data Privacy Impact Assessments; and
  - 8.3.3 provide (and procure) reasonable access for the Data Controller or such other auditor (where practicable, during normal business hours) to:
    - i. the facilities, equipment, premises and sites on which Personal Data and/or the records referred to in clause 8.1 are held, and to any other equipment or facilities used in the provision of the Services (in each case whether or not owned or controlled by the Data Processor); and
    - ii. the Data Processor personnel, provided that the Data Controller gives the Data Processor reasonable prior notice of such pending audit and/or inspection.
- 8.4 If any audit or inspection reveals a material non-compliance by the Data Processor with its obligations under Data Protection Laws or this Agreement, the Data Processor will pay the reasonable costs of the Data Controller or its mandated auditors, of the audit or inspection.
- 8.5 The Data Processor will promptly resolve, at its own cost and expense, all data protection and security issues that are discovered by the Data Controller and reported to the Data Processor and that reveal a breach or potential breach by the Data Processor of its obligations under Data Protection Laws or this Agreement.
- 8.6 If the Data Processor is in breach of its obligations under Data Protection Laws or this Agreement, the Data Controller reserves the right to suspend the Services until the breach is remedied.
- 8.7 During the term of this Agreement and for a period of one (1) year after the Agreement's termination, upon reasonable prior written notice, the Data Processor will allow the Data Controller or any appointed representative thereof to examine, inspect, audit and/or review all processes, records, databases and other source documents relating to its use of the Data Controller's Personal Data.



## **9. INDEMNITY**

- 9.1 The Data Processor will indemnify the Data Controller, and keep the Data Controller indemnified against all and any losses, claims, liabilities, expenses or penalties incurred by, awarded against or agreed to be paid by the Data Controller arising from any breach of the Data Processor's obligations under this Agreement, except and to the extent that such liabilities have resulted directly from the Data Controller's written instructions.
- 9.2 Further to clause 9.1, both parties agree that money damages would not be a sufficient remedy if the Data Processor (or any authorised sub-processor appointed by the Data Processor, for which the Data Processor is responsible) is in breach, and the Data Controller will be entitled to seek any other appropriate legal remedy or relief to prevent any breach, or anticipated breach, by the Data Processor. This right shall be in addition to the Data Controller's other rights in law or in equity.

## ANNEX A (to be completed by Supplier)

<b>Categories of Data Subjects (i.e. customer, colleague or both)</b>	
<b>Type of Data Processed (i.e. personal, special categories of data or other)</b>	
<b>Purpose of Data Processing</b>	
<b>Data Retention Period</b>	
<b>Is the Data encrypted (including at rest)?</b>	
<b>Is the Data protected by technical security measures (e.g. intrusion detection, firewalls, monitoring)?</b>	
<b>Is access to the Data physically and/or technically restricted?</b>	
<b>How frequently is the Data backed –up?</b>	
<b>Do you have documented policies and procedures regulating the use of the Data?</b>	
<b>Are all personnel who have access to the Data subject to confidentiality undertakings?</b>	
<b>Has either a Privacy Impact Assessments or Data Protection Impact Assessments been conducted in respect of the system processing the Data? If so, please attach</b>	
<b>Name and Contact Details of your Data Protection Officer (or the person responsible for Data Protection Compliance</b>	
<b>Please provide details of any Sub-Processors acting on your behalf (to include full company name, registered number and address, and details of the sub-processing arrangements in place</b>	
<b>(If Applicable) Details of any third party Data Sources</b>	
<b>Location of all Data Processing Centres used by Supplier and/or Sub-Processors</b>	

## **Schedule 10 NEW LINE FORM**

[APPEND NEW LINE FORM]