

MRI SEED Zambia Limited Standard Terms and Conditions of Purchase

Compliance: A guide for third parties

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1. Interpretation and Definitions

1.1 In these Conditions:

'BUYER' means MRI SEED Zambia Limited whose registered office is located at Plot 5255, Mukwa Road, P.O. Box 33088, Heavy Industrial Area, Lusaka, Zambia.

'CONDITIONS' means the standard terms and conditions of purchase set out in this document and (unless the context otherwise requires) includes any special term and conditions set forth in the Order and any applicable Specification or Writing pursuant to Clause 3.1 (ii) and (iii), respectively

'CONTRACT' means each Order together with these Conditions

'DELIVERY ADDRESS' means the address stated on the Order

'GOODS' means the goods (if any, including any instalment of any goods or any part of them) described in the Order

'ORDER' means the Buyer's purchase order which references and is subject to these Conditions and any order that includes the delivery of Goods and/or the performance of Services in several instalments or phases shall be deemed a single order

'PRICE' means the price of the Goods and/or the charge for the Services

'SELLER' means the person so described in the Order

'SERVICES' means the services (if any) described in the Order

'SPECIFICATION' includes any plans, drawings, data or other information relating to the Goods or Services

'WRITING' includes but is not limited to facsimile transmission and comparable means of communication.

- 1.2 Any reference in these Conditions to a law, regulation, or legal requirement shall be construed as a reference to that law, regulation or legal requirement as amended, re-enacted or extended at the relevant time.
- 1.3 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. Basis of Purchase

- 2.1 The Order constitutes an offer by the Buyer to purchase the Goods and/or acquire the Services from the Seller subject to these Conditions.
- 2.2 These Conditions shall apply to the Contract to the exclusion of any other terms or conditions (1) on which any quotation has been given to the Buyer by the Seller or its agent or employee or (2) subject to which the Order is accepted or purported to be accepted by the Seller its agent, or employee.
- 2.3 The Order will be deemed unconditionally accepted by the Seller unless Seller notifies Buyer otherwise in writing within 7 days of its receipt date.
- 2.4 No variation to the Order or these Conditions shall be binding unless agreed in Writing between the authorized representatives of the Buyer and the Seller.

3. Specification

- 3.1 The quantity, quality and description of the Goods and/or the Services shall, subject as provided in these Conditions, be (i) as specified in the Order, (ii) as specified in any applicable Specification supplied by the Buyer to the Seller or prepared by the Seller and agreed to by Buyer in writing (iii) as otherwise approved in Writing by the Buyer subsequent to the placement of the Order, whichever is applicable.
- 3.2 Any Specification supplied by the Buyer to the Seller, or specifically produced by the Seller for the Buyer, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of the Buyer. The Seller shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or as required by law or for the purpose of the Contract.
- 3.3 The Seller shall comply with all applicable laws, regulations, and legal requirements concerning the manufacture, packaging, packing and delivery of the Goods and/or the performance of the Services.
- 3.4 The Seller shall not unreasonably refuse any request by the Buyer to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to delivery, and the Seller shall provide the Buyer with all facilities reasonably required for inspection and testing.
- 3.5 If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all respects with the Contract and the Buyer so informs the Seller within 7 days of inspection or testing, the Seller shall take such steps as are necessary to ensure compliance. The Seller's failure in such compliance shall entitle the Buyer to terminate the Contract.
- 3.6 The Goods shall be marked in accordance with the Buyer's instructions and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

4. Price of the Goods and Services

- 4.1 The Price of the Goods and/or the Services shall be as stated in the Order and, unless otherwise so stated, shall be inclusive of all packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts or levies.
- 4.2 No increase in the Price may be made (whether on account of increased material, labor or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in Writing.

5. Terms of Payment

- 5.1 The Seller shall be entitled to invoice the Buyer on or at any time after delivery of the Goods or performance of the Services, as the case may be, and each invoice shall quote the number of the Order.
- 5.2 Unless otherwise stated in the Order, the Buyer shall settle the invoice within 30 days after the later of (i) receipt by the Buyer of such invoice or (ii) acceptance of the Goods or Services in question by the Buyer pursuant to Clause 6.6.
- 5.3 The Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Seller.

6. Delivery

- 6.1 The Goods shall be delivered to, and the Services shall be performed at, the Delivery Address on the date or within the period stated in the Order, in either case during the Buyer's usual business hours.
- 6.2 The date of delivery of the Goods or of performance of the Services may be specified after the placement of Order, in which case Buyer shall give the Seller reasonable notice of the specified date.
- 6.3 The time of delivery of the Goods and of performance of the Services is of the essence and the Seller's failure to meet the delivery time specified shall constitute a material breach of the Contract under Clause 9.2.5 and not withstanding Clause 6.9 and any other provision herein, shall be grounds for immediate termination of the Contract by Bruver
- 6.4 A packing note quoting the number of the Order must accompany each delivery or consignment of the Goods and must be displayed prominently.
- 6.5 If the Goods are to be delivered, or the Services are to be performed, by instalments, the Contract will be treated as a single contract and not severable.
- 6.6 The Buyer shall be entitled to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer has had a reasonable time to inspect them for visible and obvious defects following delivery but in any case not less than 10 days after delivery; provided, however, that any such acceptance by Buyer shall not impair Buyer's rights nor diminish Seller's obligations under the warranty and indemnity provisions of Clause 8 with respect to any other defect (latent or otherwise).
- 6.7 The Seller shall supply the Buyer at the time of delivery or promptly thereafter (but in any case no later than within 7 days of delivery) with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services.
- 6.8 The Buyer shall not be obliged to return to the Seller any packaging, or packing materials for the Goods, whether or not any Goods are accepted by the Buyer.
- 6.9 If less than the quantity of Goods specified in the Order or otherwise agreed is delivered, in addition to other remedies available to it under Clauses 6.3 and 6.9, the Buyer shall be entitled to demand immediate delivery of the outstanding quantity of Goods or a portion thereof and/or reject future delivery of the outstanding Goods or portion thereof and reduce the Price accordingly for any outstanding quantity rejected. If more than the quantity of Goods specified in the Order or otherwise agreed is delivered, the Buyer shall be entitled to (1) reject such oversupply and charge the Seller, including by set-off against payment of the Price, its cost of storage, handling and redelivery to the Seller of such oversupply, and/or (2) accept such oversupply or any portion thereof and pay that portion of the Price equal to the oversupply in proportion to the quantity of Goods ordered or otherwise agreed. The Buyer shall not be obligated to return any oversupply ejected and if the Seller does not remove such oversupply within 10 days of notification by the Buyer of rejection, the Buyer shall be entitled to treat such oversupply as forfeited by the Seller and to dispose of them at will or store them at the Seller's expense, with the right to treat them as forfeited at any time thereafter with notice to the Seller.

Risk and Property

- 7.1 If an Order contains INCOTERMS the Contract will be governed by INCOTERMS 2010. If the Order has no INCOTERM, then 7.2 below shall apply unless expressly indicated otherwise.
- 7.2 Risk of damage to or loss of the Goods (excluding any damage or loss caused by any defect in the Goods existing prior to completion of delivery) shall pass to the Buyer upon acceptance of the Goods by the Buyer in accordance with the Contract.
- 7.3 Title to the Goods shall pass to the Buyer when the Goods are made available to Buyer or the carrier at the Seller's place of shipment, unless payment for the Goods is made prior to shipment or delivery, in which case title to the Goods shall pass to the Buyer upon payment.

8. Warranties and Liability

- 8.1 The Seller warrants to the Buyer that the Goods, for a period of 12 months from the date of delivery unless a longer period is specified in the Order or offered by Seller (whichever is longer), that the Goods delivered under the Contract:
- 8.1.1 Will be of satisfactory quality and fit for any purpose held out by the Seller or made known to the Seller, at the time the Order is placed;
- 8.1.2 Will be free from defects in design, material and workmanship;
- 8.1.3 Will correspond with any relevant Specification or sample;
- 8.1.4 Will comply with all applicable laws, regulations and legal requirements relating to the manufacture, production, transport, sale and/or promotion of the Goods
- 8.2 The Seller warrants to the Buyer that the Services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for the Buyer to expect in all circumstances, in compliance with all applicable laws, regulations and legal requirements, and if the Services will be performed at Buyer's premises, Seller shall (i) carry all risks insurance in an amount sufficient to cover any damages or losses caused to Buyer, its property or employees or to Seller's own employees or agents in connection with the performance of the Services, (ii) comply with Buyer's health, safety and environmental policy and rules, which will be provided to the Seller and (iii) use due care to ensure that Seller's employees or agents will keep confidential any information disclosed or made available to or observed by (whether orally, in writing or in any other way) such employees or agents while on Buyer's premises.

- 8.3 Without prejudice to any other remedy, if any Goods or Services are not supplied or performed in accordance with the Contract, then the Buyer shall be entitled:
- 8.3.1 To require the Seller to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within 7 days; or
- 8.3.2 At the Buyer's sole option, and whether or not the Buyer has previously required the Seller to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as terminated due to the Seller's breach and (1) require the repayment of any part of the Price which has been paid or (2) have the defective Goods and/or Services replaced, repaired and/or remedied by a third party, the cost of which the Buyer shall be entitled to charge to Seller including by set-off against payment of any unpaid portion of the Price.
- 8.4 The Seller shall indemnify the Buyer in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Buyer as a result of or in connection with:
- 8.4.1 Breach of any warranty given by the Seller in relation to the Goods or the Services:
- 8.4.2 Any claim that the Goods or Services infringe, or their importation, use or resale, infringes, the patent, copyright, design right, trade mark or other intellectual property rights of any other person, except to the extent that the claim arises directly from compliance with any Specification supplied by the Buyer;
- 8.4.3 Any liability under any applicable consumer protection laws or regulations in respect of the Goods or Services;
- $8.4.4\ \rm Any$ act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods; and
- $8.4.5\,\mathrm{Any}$ act or omission of any of the Seller's personnel in connection with the performance of the Services.
- 8.5 Neither the Seller nor the Buyer shall be liable to the other or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of its obligations in relation to the Goods or the Services, if the delay or failure is beyond that party's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond either party's reasonable control.
- 8.5.1 Act of God, explosion, flood, tempest, fire or accident;
- 8.5.2 War or threat of war, sabotage, insurrection, civil disturbance or requisition
- 8.5.3 Import or export regulations or embargoes;
- 8.5.4 Strikes, lockouts or other industrial actions or trade disputes (whether involving employees or either the Seller or the Buyer or of a third party);

However, mechanical breakdown or failure in the supply of utilities shall not be deemed causes beyond either party's reasonable control.

9. Termination

- 9.1 The Buyer shall be entitled to cancel any Order in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery or performance, in which event the Buyer's sole liability shall be to pay to the Seller any cost actually incurred to date by Seller due to Buyer's placement of such Order; provided, however, that such cost is properly documented in writing by paid receipts or the like to Buyer's reasonable satisfaction.
- 9.2 The Buyer shall be entitled to terminate the Contract without liability to the Seller by giving notice to the Seller at any time if:
- 9.2.1 The Seller makes any voluntary arrangement with its creditors or becomes bankrupt or becomes subject to an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction); or
- 9.2.2 A receiver is appointed for any of the property or assets of the Seller; or
- 9.2.3 The Seller ceases, or threatens to cease, to carry on business; or
- 9.2.4 The Buyer reasonably believes that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly.
- 9.2.5 If the Seller commits a material breach of any provision of the Contract.

10. General

- 10.1 The Buyer is a member of the group of companies whose holding company is Syngenta AG, and accordingly the Buyer may perform any of its obligations or exercise any of its rights hereunder by itself or through any other member of its group, provided that any act or omission of any such other member shall be deemed to be the act or omission of the Buyer.
- 10.2 The Contract is personal to the Seller and the Seller shall not assign or transfer or purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the Contract without the prior written consent of the Buyer.
- 10.3 Any notice required or permitted to be given by either party to the other under the Contract shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.
- 10.4 Seller shall (i) keep confidential any information provided by or on behalf of Buyer (whether orally or in writing) in connection with this Contract, including but not limited to any Specification provided by or on behalf of Buyer, (ii) any Specification specially prepared by Seller in accordance with Buyer's requirements, (iii) disclose such information only to those employees or agents of Seller who need to have such information to perform Seller's obligations under the Contract, and (iv) use due care and take appropriate measures so as to ensure the confidential treatment of such information by such employees or agents of Seller. This Clause 10.4 shall survive the termination of the Contract of 5 years and any breach of this Clause shall be deemed a material breach of this Contract under Clause 9.2.5.
- 10.5 No waiver by the Buyer of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 10.6 If any provision of the Contract is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.
- 10.7 The Contract shall be governed by the laws of Zambia and subject to the jurisdiction of the Lusaka court.
- 10.8 The Contract shall be the complete and final agreement between the parties and any prior agreement, understanding or discussion between the parties (whether oral or written) shall be superseded by this Contract.