



**THE LION MATCH COMPANY**  
(PTY) LTD

**THE LION MATCH COMPANY (PTY) LTD (“TLMC”)  
SUPPLIER GENERAL TERMS AND CONDITIONS**

*(For the supply of Goods and/or services)*

These Terms and Conditions of Purchase shall regulate the supply to TLMC by the Vendor of goods/services ordered under a Purchase Order (“PO”) of TLMC.

**1. SUPPLY OF GOODS AND/OR SERVICES**

- 1.1 The Vendor shall sell and supply to TLMC, and TLMC shall purchase from the Vendor, such Goods/services as TLMC instructs, by way of PO from time to time from the Vendor at the applicable prices as set out in the PO and upon the terms and conditions set out herein.
- 1.2 Forecasts shall be provided on request but shall not be binding on TLMC.
- 1.3 Binding orders for the supply of the goods/services will be emailed / faxed to the Supplier by TLMC, by furnishing the Supplier with a PO in terms of the agreed pricing as per the commercial agreement. The Supplier shall confirm each and every PO within 2 (two) days of receipt.
- 1.4 Prices shown on the face of the PO may not be increased without written authorisation from TLMC’s procurement department.
- 1.5 TLMC may cancel a PO or any part thereof at any time by providing written notice to the Supplier 14 days prior to the intended cancellation without incurring any liability. Any claim from the Supplier for cost of work in process and material commitments made within the time specified will need to be proven by the Supplier and accepted by TLMC.
- 1.6 TLMC shall review requirements on a regular basis and update current orders and / or place further orders. The Supplier shall furnish a schedule of orders and stock levels to TLMC as per the Service Level Agreement signed with TLMC.
- 1.7 TLMC and the Supplier shall ensure that order placement and execution are carried out timeously and in accordance with the agreed Suppliers lead times. Supplier lead times are as noted in Commercial Agreement and Service Level Agreement.
- 1.8 The Supplier shall notify TLMC in writing of any variation enforced by seasonal changes to the stipulated lead-times. Such notification of changes must allow sufficient time to ensure that there is no interruption to TLMC’s supply requirements.
- 1.9 It is agreed that no verbal instruction is acceptable, any changes to the order(s) placed has to be communicated in writing and Supplier will confirm acceptance of changes by the same means.
- 1.10 The Supplier shall maintain full and accurate records of the printing of material including but not limited to batch numbers, quantities, specifications and raw materials used in the manufacture of the goods.
- 1.11 The Quantity stipulated on the PO is expected to be honoured in full and any variance would need to be investigated further by TLMC, which may result in penalties being imposed by TLMC for any unacceptable variances of 10% over or under deliveries of the quantity ordered shall be considered acceptable. The acceptance of any variance by TLMC shall not invalidate any delivery terms as stipulated in this agreement or on the relevant PO.
- 1.12 The Supplier shall ensure that goods are packaged in such a manner that they shall not be contaminated, damaged or spoilt during storage and delivery.

**2. QUALITY OF GOODS AND/OR SERVICES**

- 2.1 The goods supplied shall at all times meet TLMC’s quality standards together with the agreed specifications as noted in the Commercial Agreement and/or Service Level Agreement.
- 2.2 Following receipt of the goods, those goods not complying with the agreed quality standards or specification will be rejected by TLMC’s Quality Assurance team. TLMC shall inform the Supplier within seven (7) of details of the non-conformance.

- 2.3 The Supplier will supply TLMC with feedback on the non-conformance as per the timeline contained within the Service Level Agreement, should no Service Level Agreement be in place, then within twenty-four to forty-eight hours within and, shall uplift and replace the rejected material at the Suppliers expense. Should the rejection result in downtime for the TLMC factory, the Supplier will collect and replace the goods immediately. The Supplier shall advise TLMC in writing as to the corrective measures that have been put in place to ensure that the problem does not recur.
- 2.4 Any additional labour costs which are incurred as a result of the late delivery/rejection on quality of the goods may be charged to the Supplier at the going labour rate / overtime rate for the required period.
- 2.5 The Supplier and TLMC site manager shall discuss and agree on the non-compliance limits in terms of service delivery and quality standards, such details to be included within a Service Level Agreement between TLMC and the Supplier.
- 2.6 The Supplier shall operate a documented quality assurance programme / management system which complies with the requirements of TLMC’s specification requirements. Equivalent international quality assurance standards may be accepted as an alternative at the sole and absolute discretion of TLMC.

**3. INTELLECTUAL PROPERTY**

- 3.1 Suppliers warrant that it’s supply of goods or services does not infringe on any intellectual property rights and hereby indemnifies and holds harmless TLMC against any loss, damages or expense sustained by TLMC as a consequence of any breach of this warranty.
- 3.2 Any and all intellectual property owned, developed or acquired by a Party prior to this Agreement coming in effect shall remain the sole and exclusive property of the Party who is the lawful proprietor thereof and any and all rights of the Parties in terms of this Agreement shall be subject to the other Party’s intellectual property rights.
- 3.3 Any intellectual property made, created or discovered by the Supplier in the course and scope of this Agreement in connection with or relating to the business of TLMC, shall be disclosed to TLMC and shall belong to and be the absolute property of TLMC.

**4. CONFIDENTIALITY**

The Supplier agrees to treat as strictly confidential to the operations, business and affairs of TLMC and not divulge any information relating thereto to any third party, agent or employee without the prior written consent of TLMC, save as is required by law.

**5. PRIVACY AND DATA PROTECTION**

- 5.1 The Supplier shall at all times during the performance of its obligations in terms of this Agreement ensure that (a) no data collected from any person during the supply of the Goods/Services is sold, disclosed, commercially exploited or used in any way other than as expressly authorised by TLMC and (b) ensure that it processes data for only the express purpose for which it was obtained.
- 5.2 The Supplier consents to the collection, processing and further processing of its personal information (including personal information contained in electronic communications) by TLMC for the purposes of implementing this Agreement and facilitating the supply of Goods/Services.

**6. AUDIT**

The Supplier’s good processes will be operated within a structured and quality management system, which will be continuously updated. TLMC



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may inspect and audit the facilities and premises of the Supplier for any purposes associated with the manufacture, distribution and/or supply of Goods/Services at any time during normal business hours on reasonable notice to the Supplier to measure its implementation of the quality management system, compliance with applicable law and the Agreement.

**7. OWNERSHIP AND RISK IN GOODS**

- 7.1 Where the Goods are delivered to by the Supplier:
  - 7.1.1 Ownership and risk in the Goods shall pass to TLMC upon the physical delivery or the installation thereof, as the case may be, at TLMC premises as set out in the PO. A PO cannot be deemed fulfilled until the certificates of conformance/analysis and technical data sheets have been satisfactorily supplied with each delivery.
  - 7.1.2 In addition, for passing of risk to take place, the following shall be required:
    - 7.1.2.1 in respect of the delivery of goods, the signature of an unendorsed delivery note by TLMC; and
    - 7.1.2.2 in the case of installation of the Goods, a written certification by TLMC of the completion of the installation.
- 7.2 Where the Goods are collected by TLMC, ownership and risk in and to the Goods shall pass to TLMC upon the physical collection thereof by TLMC.
- 7.3 TLMC shall have the right to inspect the Goods and measure progress on the execution of the Services at all reasonable times and to reject the Goods/Services that do not comply with the terms of the Agreement. Any inspection, checking or approval by TLMC shall not relieve the Supplier from any obligation under this Agreement.

**8 PRICES**

- 8.1 Prices for the goods and/or services with effect of the commencement date are those detailed in the Commercial Agreement.
- 8.2 Increases in prices will be calculated in accordance with the provisions below:
  - 8.2.1 All prices quoted will be per unit delivered or as per INCOTERM agreed irrespective of the quantity ordered.
  - 8.2.2 Prices quoted are exclusive of VAT.
- 8.3 TLMC shall have the right to request full disclosure of all cost drivers relating to supply of the goods detailed in this Agreement.
- 8.4 Supplier will invoice TLMC on delivery of the goods, taking into account that TLMC cut off dates for invoicing is the 25th of the month.
- 8.5 In the event that TLMC disputes an amount set out in an invoice, TLMC shall, refer such dispute to the financial department of the Supplier for resolution. Both parties shall endeavour to resolve the dispute.

**9 PAYMENT AND LIABILITY**

- 9.1 The Supplier must ensure that invoices reflect.
  - 9.1.1 A valid TLMC PO Number must be clearly stated on the Invoice or Credit Note exactly as provided by TLMC. If the PO is not accurate or not included on the invoice, then the invoice will not be processed or paid. Any discrepancies noted on TLMC's PO must be communicated immediately to TLMC.
  - 9.1.2 The Supplier's full name, address, invoice date and number must be clearly stated and must reflect the correct name of the specific TLMC legal entity that the Supplier is supplying.
  - 9.1.3 Correct VAT registration number
  - 9.1.4 a clear description of the quantity of goods or extent or nature of the services rendered which closely matches the description on the PO.
  - 9.1.5 credit notes must include/refer the invoice number being cancelled/adjusted.
- 9.2 Supplier recognises that late delivery of the goods will have a significant impact on TLMC's obligations to its customers. Accordingly, without prejudice to TLMC's other rights whether hereunder or at law, if the goods and/or services are not delivered on the requested date, TLMC shall be entitled to deduct from the price or to claim from the Supplier by

way of liquidated damages for delay, 2% (two per cent) of the price for every week's or part week's delay up to a maximum of 5% (five percent) In the event that late goods were initially designated for time-specific activities (for example, without limitation, promotional packs), but are no longer suitable for sale in the ordinary course of business, TLMC shall be entitled to claim 100% (one hundred percent) damages as a result of the late or non-delivery of the goods.

**10 GENERAL**

- 10.1 This Agreement is the sole agreement between the Parties and may only be varied or waived in a written, signed document between the Parties.
- 10.2 The Suppliers standard terms and conditions and/or the Suppliers credit application, notwithstanding its reference to or inclusion in any quotation, order, invoice or otherwise, shall not be binding to TLMC.

SIGNED at \_\_\_\_\_ on \_\_\_\_\_ 20\_\_

For and on behalf of Supplier

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Signatory

\_\_\_\_\_  
Designation of Signatory

SIGNED at \_\_\_\_\_ on \_\_\_\_\_ 20\_\_

For and on behalf of The Lion Match Company (Pty) Ltd

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Signatory

\_\_\_\_\_  
Designation of Signatory