

Cardinia Shire Council

Purchase Order Terms and Conditions

1. Definitions

The following terms will, if not inconsistent with the context, have the meanings indicated:

- 1.1 **"Council"** Cardinia Shire Council
- 1.2 **"Goods"** means the goods and/or services described in the purchase order.
- 1.3 **"Purchase Order"** means the purchase order placed by Council including these terms and must be quoted on the invoice.
- 1.4 **"Purchase Price"** means the total amount shown on the purchase order.
- 1.5 **"Supplier"** means the party described as such in the purchase order.
- 1.6 **"Supplier Code of Conduct"** means the Supplier Code of Conduct adopted by Council for suppliers providing goods or services to Council (as amended from time to time).

2. Completion

The supplier must supply the goods on or before the delivery date in accordance with the Purchase Order.

3. Warranties

In addition to other warranties in the Purchase Order and implied by law, it is a condition of Council's purchase of the Goods that:

- 3.1 the Goods will be new, unless agreed otherwise;
- 3.2 the Goods will be fit for the purpose for which items of the same kind are commonly supplied;
- 3.3 the Goods are merchantable quality and free from defects; and
- 3.4 the supplier is capable of passing title in the Goods free of encumbrances and all other adverse interests at the time they are supplied to Council.

4. Variation or termination

- 4.1 Council may, at any time, by giving written notice to the Supplier, terminate the Purchase Order and the Supplier must, on receipt of such notice, immediately cease all work in connection with the supply of the Goods and take all appropriate action to mitigate any loss or prevent further costs being incurred. In such event Council will pay the reasonable fees and expenses of the Supplier in accordance with Purchase Order but not any loss of prospective profits. In no circumstances must the fees or expenses payable exceed the fees or expenses that would have been paid had the Purchase Order been completed.
- 4.2 Council may at any time give written notice to the Supplier proposing a variation to the quantity of the Goods. The Supplier must, as soon as possible, and in any event within 7 days, provide a written proposal as to the varied Purchase Price that will apply for the provision of the varied Goods. Council may accept the varied Purchase Price proposal within 7 days of receipt from the Supplier but in the absence of such acceptance the Purchase Order will continue as if no proposal under this sub-clause had been made.

5. Confidentiality

The Supplier will not disclose, and will ensure that its employees, agents and contractors do not disclose, any confidential information relating to Council or its affairs which may come to its or their knowledge during the term of the Purchase Order.

6. Rejection of Goods

Council may reject any of the Goods which do not comply in all respects with the Purchase Order. Council is not required to make payment for any rejected Goods.

7. Payment

If the Supplier complies with its obligations under the Purchase Order, Council must pay the Purchase Price to the Supplier by the method agreed with the Supplier. Payment shall be made 30 days from end of month after delivery of the Goods and receipt of a correctly rendered invoice

8. Goods and Services Tax ("GST")

The Purchase Price is inclusive of GST. Where Council is required to pay the Supplier any amount under the Purchase Order on account of GST, the amount representing GST will only be payable by Council to the Supplier where the Supplier provides to Council a tax invoice for GST purposes in a form approved by Council.

9. Default by Supplier

9.1 If the Supplier defaults in the performance or observance of any obligation it has under the Purchase Order, Council may give notice to the Supplier specifying the default and requiring that such default be remedied within 14 days.

9.2 If, within 14 days after receipt of the notice, the Supplier fails to remedy the default, to the satisfaction of Council, Council (without prejudice to any other rights that it may have under the Purchase Order or at common law against the Supplier) may:

9.2.1 suspend payment under the Purchase Order; or

9.2.2 terminate the Purchase Order and any other Purchase Order between the parties.

10. Insolvency of Supplier

If the Supplier:

10.1 being a person, commits any act of bankruptcy; or

10.2 being a company, commits any act of insolvency,

Council may terminate the Purchase Order immediately.

11. Sub-contracting and assignment

The Supplier must not, except with the written consent of Council, sub-contract or assign the whole or any portion of its rights and obligations under the Purchase Order, and no sub-contractors or assignees will have any rights under the Purchase Order against Council or be entitled to receive any payments under the Purchase Order from Council. Where Council gives its consent to the Supplier in accordance with this sub-clause, the Supplier remains fully responsible for performance under the Purchase Order.

12. Statutory requirements

The Supplier must obey and must ensure that its employees, subcontractors and agents obey any Acts, regulations, local laws and any other laws in any way applicable to the performance of the Purchase Order, including, without limitation, any occupational health and safety legislation.

13. Indemnity and advance release

The Supplier indemnifies and holds harmless Council, its Councillors and staff from and against all liability for any injury, loss or damage and all actions, claims, losses, damages, penalties or demands consequent upon, occasioned by or arising from its performance or purported performance of, or failure to perform, its obligations under the Purchase Order, including, without limitation, any acts or omissions of the Supplier's agents and employees.

14. Amendment

This Purchase Order may only be varied or replaced by a document duly executed by the parties.

15. Further assurance

Each party must promptly execute and deliver all documents and take all other action necessary or desirable to affect, perfect or complete the transactions contemplated by the purchase order.

16. Time is of the essence

Time is of the essence as regards all dates, periods of time and times specified in the Purchase Order.

17. No relationship

Nothing in the Purchase Order will be construed or deemed to constitute a partnership, joint venture or employee, employer or representative relationship between any of the parties. Nothing in the Purchase Order will be deemed to authorise or empower any of the parties to act as agent for or with any other party.

18. Number and gender

In the Purchase Order, a reference to:

18.1 the singular includes the plural and vice versa; and

18.2 a gender includes the other genders.

19. Whole understanding

The Purchase Order constitutes the whole understanding between the parties and embodies all terms on which the Goods are to be supplied by the Supplier. If the Supplier's acceptance or supply of the Purchase Order contains any terms in conflict with the Purchase Order, the Purchase Order will have precedence unless otherwise agreed by Council in writing.

20. Governing law

The law of the State of Victoria governs the Purchase Order and any legal proceedings under the Purchase Order.

21. Joint and several obligations

If the Supplier consists of two or more parties, the Purchase Order binds each of them severally and jointly.

22. Method of giving notices

A notice required or permitted to be given by one party to another under the Purchase Order must be in writing, addressed to the other party and:

- 22.1 delivered to that party's address; or
- 22.2 transmitted by facsimile to that party's facsimile number; or
- 22.3 sent by email to that party's email address.

23. Receipt of notices

A notice given to a party in accordance with Term 22 must be treated as having been duly given and received:

- 23.1 if delivered to a party's address, on the day of delivery; or
- 23.2 if transmitted by facsimile to a party's facsimile number and a correct and complete transmission report is received, on the day of transmission; or
- 23.3 if sent by email, after successfully leaving the sender's system, unless the sender receives a notice that the email failed to send successfully.

24. Occupational Health and Safety

For the avoidance of doubt the Supplier must comply with all occupational health and safety legislation. The supplier must, if requested to do so, provide a current safe work method statement or equivalent to Council prior to the commencement of work to the satisfaction of Council.

25. Supplier Code of Conduct

The Supplier acknowledges that:

- 25.1 the Supplier Code of Conduct is an important part of Council's approach to procurement and describes its minimum expectations regarding the conduct of its suppliers;
- 25.2 it has read the Supplier Code of Conduct; and
- 25.3 the expectations set out in the Supplier Code of Conduct are not intended to reduce, alter or supersede any other obligations which may be imposed on the Supplier, whether under the Purchase Order or at law.

26. Precedence

Where the Purchase Order was made pursuant to another binding agreement, deed or contract, the terms and conditions of that binding agreement, deed or contract will take precedence over these terms appearing in this Purchase Order.