

Approved Supplier Agreement

TAYGROUP LTD

Supplier Name

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This document constitutes the requirements, expectations, and aspirations of Taygroup Ltd, from its service providers (hereafter known as the “Supplier”). This includes contractors, 3rd party hauliers, and any other organisation involved in the transportation of goods on behalf of Taygroup.

All Suppliers are required to sign and return this Approved Supplier Agreement (ASA) along with a copy of their current Operators Licence and copies of their relevant insurance certificates to:

Jim Betts
Taygroup Ltd
Unit 27 – Landgate Industrial Estate
Wigan Road
Wigan
WN4 0BW

This ASR supersedes any previous agreement made between the Supplier and Taygroup Ltd.

Date:	December 2009
Author	Lloyd Briscoe
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1 RELATIONSHIP

- The Supplier agrees to undertake work for Taygroup Ltd on an “as and when” basis.
- On no account may the Supplier operate a Taygroup trailer in accordance with work for another customer without prior permission from Taygroup being obtained beforehand.

2 VEHICLE SPECIFICATION

- The Suppliers vehicles must be “fit for purpose” and presented in a clean and safe condition.
- All vehicles must comply with UK Regulations relating to servicing and testing.
- All vehicles are required to have in-cab communication.
- Taygroup will not allow vehicles with stack exhaust pipes to haul any of its trailers.

3 INSURANCE

Road Haulage Association (RHA) Conditions of Carriage apply to all work involving Taygroup customers. However, it should be noted that a heightened ceiling of insured cover is necessarily required for the following Taygroup customers:

- **Nestle** - £6k per tonne (*mostly light-weight cereal product averaging 5 tonnes*)
- **Halewood International Ltd** - £6.5k per tonne up to a maximum of £170k (*This work involves mostly wine and some spirits. Average value equates to £2.5k per tonne*)
- **Ikea** - £2k per tonne
- **Mars** - £5k per tonne
- **Wincanton** - £5k per tonne
- **Culina** - £3k per tonne
- **United Biscuits** - £5k per tonne

Taygroup strongly recommends that the Supplier has the maximum level of cover necessary for all work undertaken (*i.e. £6.5k per tonne to a maximum of £170k per load*)

In **EVERY** case, the Supplier must have the minimum level of insurance to provide back to back cover when undertaking work involving the above Taygroup contracts.

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4 OPERATORS LICENCE

- Suppliers must be in possession of a valid Operators Licence
- An up-to-date copy must be provided to Taygroup Ltd.
- There is an obligation upon you to inform Taygroup of any significant changes or restrictions to your Operators Licence.

5 INVOICING AND PAYMENT

- Payment terms are 60 days net.
- A 7-Day payment is available for an agreed and pre-determined discount
- The Supplier will be required to complete and return the relevant paperwork, which will then need to be authorised by Taygroup Ltd

6 HEALTH AND SAFETY

Taygroup would wish to be seen as an exemplar in the standards of health and safety. Safety takes absolute precedent over everything that we do.

The Health and Safety at Work Act (1974) imposes an onus of responsibility and a duty of care upon you, the Supplier, to ensure the safety of all persons engaged in, or may be affected by, your dealings with Taygroup and activities pertaining thereof.

When attending a Taygroup site you are required to abide by that particular site's safety procedures.

When attending a customer's site, you are also required to follow the safety guidelines relating to those premises.

Taygroup would reasonably expect the Supplier to be aware of all such safety requirements, including the wearing of all appropriate personal protective equipment.

In order to ensure compliance with these requirements, the Supplier may, from time to time, be subject to a safety audit by a representative of Taygroup Ltd.

Failure to practice anything other than the highest safety standards may result in the Supplier being removed from Taygroup's Approved Supplier List.

A copy of Taygroup's Health and Safety Manual for Suppliers is available for download from Taygroup's website. By signing this agreement, you are confirming acceptance of the manual and its contents therein. Further copies are available on request from Jim Betts either at the address on page 1, - or by telephoning him on 01942 717601.

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7 DELIVERY PERFORMANCE & REPORTING

- You must inform Taygroup immediately with regard to any delays that could possibly result in a delivery arriving late
- The Supplier is required to provide arrival and departure times for all deliveries, in real time. Service levels are monitored and a minimum service level of 98% is the expectation.
- You must inform Taygroup immediately – before a driver leaves a delivery point – of any refusal or discrepancy of the load. Failure to comply with this procedure could result in a Goods in Transit (GIT) claim being raised against you, the Supplier.
- Deliveries on behalf of Nestle must be confirmed, in real time, by the driver. This must be accomplished by telephoning the Nestle Confirmation Department on 08000 351451. If, for any reason, contact cannot be made with Nestle, then the Supplier must call Taygroup in order to appraise the situation on 01767 602670

8 TAYGROUP CONTACT DETAILS

Biggleswade Depot - 01767 602670 (*manned 24 hours a day, 7 days a week*)

Wigan Depot – 01942 717601 (*manned 24 hours a day, 7 days a week*)

Melksham Depot – 01225 709999

Cardiff Depot – 02920 499946

IKEA Northern Operations – 01942 719133

9 CONFIDENTIALITY

The Supplier agrees that any information issued by Taygroup is confidential and will not, without written consent from Taygroup, contact any of its customers or suppliers, and that such details are only issued so that the Supplier may carry out the specific duties that are appointed

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10 LOAD SECURING AND SECURITY

- The Supplier must ensure that all vehicles have the correct equipment to secure loads safely.
- **DRIVERS** are responsible for checking that loads are secure and suitable for taking onto the road.
- No loads are to be left unattended overnight.
- In the event that overnight parking in a secure location is required, Taygroup may be able to advise of a safe site, or allow a Supplier to use a Taygroup depot, - especially if a valuable load is being carried.
- TIR Cards must be used when fitted, and a trailer is being sealed.
- Drivers must never deliver to a different address without prior agreement from Taygroup – *even* if re-directed by persons at a delivery point.

11 PAPERWORK, POD's, etc

3rd Party Suppliers on **60-Day** payment terms are required to:

- Return signed Proof of Delivery (POD's) documentation, together with any relevant pallet paperwork as soon as possible.
- If there are any discrepancies experienced on a delivery (i.e. shortages or damages etc) they must be reported to a Taygroup Traffic Office immediately

3rd Party Suppliers on **7-Day** payment terms will need to adhere to the following requirements:

- Drivers to be issued with a Weekly Running Sheet
- All delivery information for each job to be logged on this sheet
- Any discrepancies on a delivery (i.e. shortages or damages etc) must be reported to a Taygroup Traffic Office immediately
- Drivers are required to hand in a completed Running Sheet, together with all POD's at the end of each week, - or by Tuesday of the following week at the latest. Failure to do so may result in delayed payment, as paperwork must be processed before payments can be made.

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12 TRAILERS

STANDARD TRAILERS

- You may be provided access to Taygroup's trailer pool for an agreed weekly or daily fee.
- The Supplier will be absolutely responsible for the trailer when in use by the Supplier's vehicle.
- The Supplier's driver is expected to carry out a full check of the trailer in order to ensure that it is road-worthy, and to contact a Taygroup Traffic Office to report any defects or request assistance.
- A Defect Reference Number will be issued by a Taygroup Traffic Office when reporting a trailer defect.
- The Supplier is absolutely responsible for any damage caused to a trailer whilst it is in the Supplier's care. It is important therefore, that any damage discovered on a trailer is reported before it is used.
- Failure to report any damage may result in the Supplier being held accountable if the damage is discovered later and traced back to them.
- Taygroup reserves the right to offset any damage charges against the Suppliers account.
- All trailers are fitted with a tracker device. Trailers are not to be used for non-Taygroup work without the express permission of Taygroup being sought first.
- The Supplier is responsible for any tyre blow-outs.
- Any other damage caused by the blow-out will be the Supplier's responsibility.
- Taygroup may charge the Supplier for the remaining tread on any tyres that are damaged by the Supplier's vehicle.
- Taygroup reserves the right to off-set any damage charges against the Supplier's account.
- Taygroup trailers are not suitable for use on roads outside the UK
- It is important that the Supplier is aware of the fact that most Taygroup trailers are much taller than the average height of a conventional trailer (i.e. 4.5 – 4.64 metres)

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IKEA MODIFIED TRAILERS

- All loads for Ikea will be stowed on either box trailers or curtain-sided trailers modified to conform to EN12642 XL standard.
- The modified Taygroup trailers have fleet numbers that commence with the designation “TG”.
- Each “TG” trailer consists of x40 aluminium slats that act as load restraints, in between x3 support posts on each side of the trailer.
- When collecting an empty “TG” trailer, the Supplier is responsible for checking that there are x40 slats present, and that they are securely located in the correct position.
- In the event that a driver is required to collect a “TG” trailer that has slats missing, then Taygroup must be informed before the trailer is used. Failure to do so may result in the Supplier being held accountable for the missing slats.
- The “TG” trailers are designed to be able to remove the slats, in the event that the trailer is required to be loaded from the side. If the slats are removed, then they must be stowed on the trailer, and replaced into their original position after the trailer has discharged its cargo.
- Non-compliant equipment will not be allowed into an Ikea Distribution Centre (DC).
- Should a Supplier’s driver neglect to replace trailer slats into the correct position, then a charge for replenishing the slats may be made by Taygroup.
- Always check, (before loading a “TG” trailer through the rear with slats in place), that the delivery point is able to unload through the rear. This is due to the fact that it is not practical or practicable to remove the restraint slats, once a trailer is loaded.



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13 CHEP PALLETS

- A number of Taygroup's customers operate on a full or partial "one way trip" basis with Chep's blue pallets.
- Suppliers on 60-Day payment terms will be advised on the load confirmation sent out by the respective Taygroup Traffic Office as to what pallet paperwork – if any – is required.
- Suppliers on 7-Day payment terms will be issued with pallet guidelines when commencing work with Taygroup.
- It is the driver's responsibility to ensure that the pallet paperwork is correct and accurate.
- Any problems relating to the pallets on any load should be communicated to Taygroup before the driver leaves the site

14 RETURNS

- When a load – or part of a load – is refused, Taygroup must be advised immediately before the driver leaves the delivery point.
- Any stock returned must be kept in a clean and dry area. It must not come in to contact with any commodities which are not compatible with foodstuffs, whilst waiting for instructions as to where the goods are to be taken.

15 COMPLIANCE

There is an expectation from Taygroup that the Supplier (and its representatives) must be aware of, and be fully compliant with, the following statutory legislations:

- The Health & Safety at Work Act 1974
- The Road Traffic Act 1988
- EU Drivers Hours Regulations EC561/2006
- Road Transport (Working Time) Regulations 2005
- The Working Time Regulations 1998
- Corporate Manslaughter Act 2007

The Supplier's drivers must be authorised to drive in the UK and hold a current licence to operate the vehicles which they drive.

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16 DEMURRAGE

Demurrage will be paid after 2 hours, but only if the Supplier's vehicle arrived on-time for the appointed booking, and Taygroup are notified at the time the delay is being encountered.

The driver is reasonably expected to procure documented evidence of the arrival and departure times from an official representative of the customer. If no times are recorded, the Supplier may need to provide a copy of the driver's Tachograph readings, especially if the demurrage is disputed.

17 ENVIRONMENT

Taygroup is very concerned about the protection of the environment in which we all live. To this end, Taygroup conducts all its business practices in accordance with the internationally recognised ISO:14001 standard. Taygroup would reasonably expect all of its Suppliers to subscribe to this thinking in order to preserve their position on Taygroup's Approved Supplier listing.

To this end, Taygroup would expect the pursuit of four specific objectives by you, as a Supplier to Taygroup:

- To make a positive and commercially-realistic contribution to improving the environment in which you operate
- To ensure that the threat of pollution in, any form, from your activities is identified and eliminated. At the very least it should be tightly controlled.
- To minimise your consumption of materials, fuel, energy, and water, and to recycle as much as is economically feasible
- To eliminate or minimise any potential harmful effects of your activities upon your employees, and the general public.

Taygroup is an ISO:9001 and ISO:14001 accredited company. In accordance with these accreditations, Taygroup reserves the right to be able to conduct an audit upon you, the Supplier, for purposes of quality management and environmental compliance.

18 HYGIENE

Taygroup is registered with the British Retail Consortium (BRC) and subscribes to a very high standard of hygiene with regard to the transportation of foodstuffs. The Supplier must notify Taygroup if it is discovered that the trailer is contaminated with any of the following:

- Odour
- Oil
- Fish taint
- Chemicals (toxic or otherwise)
- Rain-water ingress
- Glass

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19 CONTRA AGREEMENT

The Supplier permits Taygroup to contra any monies owed from the Supplier's account with Taygroup.

20 CONFIRMATION

The Supplier agrees to the Terms and Conditions of this Approved Supplier Agreement, and confirms that the Supplier is compliant in all respects.

Signed.....

Date.....

Print Name.....

Position.....

On behalf of (name of Supplier).....

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