Purchase Order Policy and Procedure

Author's Signature:
Your signature indicates that this document has been prepared in accordance with existing company standards and adequately reflects any company's policies, tasks and deliverables necessary.

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Reviewer's Signature:
Your signature indicates that you have reviewed this document and that it accurately and completely reflects the tasks and deliverables necessary for Pavilion Renewables.

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Revision History:

Revision	Revision Date	Reason for Revision/Change Request	Revised By
1	09/18/2025	Original Release	Natalie Fay

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Policy Statement

All purchases of goods and services for Pavilion Group must follow this Purchase Order (P.O.) Policy. No employee is authorized to make verbal, informal, or direct purchases outside of this process. Any such purchases will be deemed unauthorized and at the employee's personal risk.

Key Rules

1. **Requisition & Approval**
   - All purchases must begin with an approved requisition in the Pavilion Xero system.
   - Requisitions must be reviewed and approved by the Procurement Officer and Finance Officer before a P.O. is issued.
2. **Official Purchase Orders**
   - Only official Pavilion P.O.s issued through Xero are valid.
   - No goods or services may be ordered, shipped, or invoiced without an official P.O. number.
   - Pavilion will not be responsible for payment of invoices that do not reference a valid P.O.
3. **Authority**
   - Employees and team leaders do not have authority to bind Pavilion to contracts or purchases.
   - Final approval for P.O.s rests with the Finance Officer.
4. **Suppliers**
   - Suppliers must not ship goods or perform services without a P.O. or written authorization from Pavilion.
   - Invoices must be sent directly to the Finance Department, referencing the correct P.O. number.
5. **Bids & Thresholds**
   - Purchases above 3,000 USD require at least three quotations and competitive evaluation.
   - Procurement will be awarded based on best overall value (price, quality, delivery, and reliability).
6. **Ethics**
   - Pavilion staff may not accept gifts, incentives, or favors from suppliers.
   - Any attempt to influence procurement decisions will result in disqualification of the supplier.

Standard Purchase Order Terms & Conditions

By accepting a Pavilion Group Purchase Order, the supplier agrees to the following terms and conditions:

1. **Entire Agreement**
   - This Purchase Order (P.O.) constitutes the entire agreement between Pavilion and the supplier. No verbal agreements or side arrangements are valid.
2. **Delivery & Risk**
   - Delivery must be made to the address specified on the P.O. by the agreed date.
   - Risk of loss and damage remains with the supplier until delivery and acceptance by Pavilion.
3. **Inspection & Rejection**
   - Pavilion reserves the right to inspect all goods and services upon delivery.
   - Goods or services that are defective, non-conforming, or delivered late may be rejected at the supplier's expense.
4. **Invoicing & Payment**
   - Invoices must reference the correct Pavilion P.O. number.
   - Standard payment terms are Net 30 days from receipt of correct invoice and acceptance of goods/services.
   - Pavilion is not liable for invoices without a valid P.O.
5. **Compliance**
   - Suppliers must comply with all applicable laws, regulations, and Pavilion's ethical standards.
   - Use of counterfeit, substandard, or unauthorized materials is strictly prohibited.
6. **Confidentiality**
   - All information shared by Pavilion, including specifications, drawings, and pricing, must be treated as confidential.
7. **Cancellation**
   - Pavilion may cancel any P.O. without liability if the supplier fails to meet delivery, quality, or compliance requirements.
8. **Force Majeure**
   - Neither party will be liable for failure to perform due to events beyond reasonable control (e.g., natural disasters, war, government actions).
9. **Governing Law**
   - This P.O. is governed by the laws of United States. Any disputes shall be resolved in the courts of the United States.