

VALIANT TECHNOLOGY LIMITED (“The Seller”) - CONDITIONS OF SALE

1 Application

(A) These conditions apply to all sales and supplies of goods and services by the Seller to any purchaser (“the Buyer”) and shall prevail over and apply to the exclusion of any terms or conditions contained or referred to in the Buyer’s order or in correspondence or elsewhere or implied by trade custom practice or course of dealing unless otherwise expressly agreed in writing by a director of the Seller and any purported provisions to the contrary are hereby excluded or extinguished.

(B) The Terms and Conditions herein contained cannot be varied by any person acting or purporting to act as employee or agent of the Seller save as hereinbefore stated.

(C) By entering into a contract to purchase goods from the Seller the Buyer agrees without qualification to accept the Terms and Conditions herein.

2 Quotations and Acceptance

(A) A quotation by the Seller does not constitute an offer and the Seller will not be bound by any quotation given and any such quotation may be withdrawn or revised at any time prior to the Seller’s acceptance of the Buyer’s order.

(B) The Seller’s acceptance of the Buyer’s order shall be effective only where such acceptance is made in writing on the Seller’s form of Acknowledgement of Order and a contract shall not come into existence between the Buyer and the Seller until such written acceptance has been made.

(C) No order having been accepted by the Seller may be cancelled by the Buyer except by mutual agreement confirmed in writing by the Seller’s authorised representative. In such cases the Seller reserves the right to levy a cancellation charge of not less than twenty-five pounds sterling (£25.00).

3 Representations and Specifications

The illustrations and technical descriptions in the Seller’s sales literature are approximate only and should be checked by the Buyer with the Seller before an order is placed in reliance on them. The Seller accepts no liability for descriptions illustrations specifications figures as to performance drawings and particulars of weight and dimensions submitted by the Seller contained in the Seller’s quotations price lists or elsewhere which do not form part of the Contract or for any technical information, recommendations, statements or advice furnished by the Seller its servants or agents or given in writing to the Buyer before the contract is made or for any representation made by any of its employees or officers or agents as to the description quality fitness for purpose of any goods the suitability of any goods for any particular purpose or use under specific conditions whether or not the purpose or conditions were known or communicated to the Seller unless such representation is in writing and signed by a duly authorised representative of the Seller.

The Seller may vary the design or specification of the goods or substitute any materials or components at any time before delivery provided that such variation does not substantially alter the performance of the goods.

4 Prices and Payment

(A) The prices payable for the goods and for their delivery shall be the Seller’s prices therefor current at the time of despatch. The Seller shall have the right at any time to withdraw any discount from its normal prices and/or to revise prices to take into account increases in costs including (without limitation) costs of any goods materials carriage labour or overheads the increase or imposition of any tax duty or other level and any variation in exchange rates.

(B) Unless otherwise specified VAT and any other tax or duties payable by the Buyer shall be added to the price.

(C) If the Buyer has not sent payment with its order the Seller’s invoices must be paid without discount on a ‘net monthly’ basis that is by the last day of the calendar

month next following the month shown as the invoice date (hereinafter referred to as "the Due Date").

(D) If any account is overdue, the Seller shall be entitled without prejudice to any other right to damages or other remedy

(i) to withhold further deliveries until payment of such account is made,

(ii) to cancel the Contract in respect of the whole or any part of the goods remaining undelivered.

(E) Interest, payable on demand, shall accrue from day to day from the Due Date until receipt by the Seller of the full amount (as well as before any judgement and without prejudice to any other rights of the Seller) on overdue amounts at the rate of two per cent (2%) per month (plus VAT, if applicable).

(F) The Buyer agrees that (save for discounts allowed under the terms of the Contract) it will not be entitled for any reason to make any deduction or withhold payment to the Seller.

(G) Time for payment shall be of the essence of the Contract.

(H) Upon payment from the Buyer not being received by the Due Date the Seller will send to the Buyer a reminder to this effect together with a copy of the relevant invoice. If the Buyer should subsequently request further copies of the invoice such copies shall only be supplied upon payment by the buyer of an administration charge of fifteen pounds (£15.00) in respect of each such copy invoice requested.

(I) Details of discounts currently available if any will be supplied upon request.

5 Delivery

(A) Delivery dates mentioned in any quotation acknowledgement of order or elsewhere are approximate only and not of any contractual effect and the Seller shall not be under any liability to the Buyer in respect of any failure to deliver on any particular date or dates nor will any such failure entitle the Buyer to refuse to accept any delivery or performance of or repudiate the Contract.

(B) Goods are delivered to the Buyer when the Seller makes them available to the Buyer or any agent of the Buyer or any carrier (who will be the Buyer's agent whoever pays his charges) at the Seller's premises or other delivery point agreed by the Seller).

(C) Delivery shall be at the Seller's despatch point unless otherwise stipulated or agreed by the Seller. The Seller will charge for delivery (including related insurance costs) to a delivery point other than its own despatch point.

(D) If the Buyer refuses or fails:

(a) to take delivery of goods or any part of them tendered in accordance with the Contract; or

(b) to provide to the Seller on demand any instructions documents licences consents or authorisations of any government or other authority required to enable the goods to be delivered on the due date or for the acquisition carriage or use of the goods then:

(i) delivery will be deemed to have taken place;

(ii) risk in the goods shall pass to the Buyer;

(iii) the Seller shall be entitled to store the goods in a warehouse at the expense and risk of the Buyer;

(iv) the price shall become immediately payable;

(v) if payment is secured by letter of credit the Seller shall be entitled to payment on presentation of the copy sales invoice and the warehouse receipt;

(vi) any additional expenses or charges of the Seller resulting from such failure shall be for the Buyer's account;

and

(vii) the Seller shall be entitled after the expiration of three (3) months from the date upon which the price became payable to dispose of the goods in such manner as the Seller may determine without accounting to the Buyer therefor.

(E) The Seller has the right to deliver the goods by instalments.

If the goods are delivered by instalments:

- (i) each instalment will be deemed to be the subject of a separate contract;
- (ii) any default or failure by the Seller in respect of one or more instalments will not vitiate the Contract in respect of the goods previously delivered or undelivered goods.

6 Risk

Risk in the goods shall pass to the Buyer upon delivery of the goods to the Buyer or the Buyer's carrier or thirty (30) days from the Seller notifying the Buyer that the goods are available for collection whichever first occurs.

7 Sales Outside Great Britain

(A) In any case where goods are sold CIF or FOB or on the basis of other international trade terms the meaning of such term contained in Incoterms and revised from time to time shall apply except where inconsistent with any of the provisions contained in these Conditions.

(B) Unless otherwise agreed where goods are sold outside Great Britain either:

(i) the price of the goods shall be paid prior to delivery by bank telegraphic transfer of funds into such account as is nominated by the Seller; or

(ii) the price of the goods shall be secured by an irrevocable letter of credit satisfactory to the Seller established by the Buyer in favour of the Seller immediately upon receipt of the Seller's acknowledgement of order and confirmed by a United Kingdom bank acceptable to the Seller. The letter of credit shall be for the contract price inclusive of any tax or duty payable by the Buyer and shall be valid for at least six (6) months or such longer period as shall have been estimated by the Seller for delivery. The Seller shall be entitled to payment on presentation to such United Kingdom bank of the documents specified by the Seller or as herein stipulated PROVIDED THAT the Buyer's choice of method of payment shall be agreed with the Seller in writing in advance.

(C) If the price to be paid by the Buyer for goods sold outside Great Britain is paid in a currency other than pounds sterling the amount of such payment shall be equivalent to the Seller's price in pounds sterling current at the time of payment calculated by reference to Lloyds TSB Bank plc's rate of exchange at the time of payment.

(D) Any bank or other charges arising in connection with the transfer of funds or obtaining of a letter of credit for the purpose of payment shall be borne by the Buyer.

(E) Where a Buyer purchases goods from the Seller intending to sell on such goods, the Buyer shall not sell such goods to purchasers outside Great Britain without first obtaining the Seller's written permission to do so as the Seller will wish to ensure that there is no conflict with local distribution arrangements and that adequate service support will be available in respect of such sales.

(F) Section 32(2) of the Sale of Goods Act 1979 shall not apply. The Seller shall not be required to give the Buyer the notice specified in Section 32(3) of that Act.

8 Retention of Title to Goods

(A) For the purpose of section 12 of the Sale of Goods Act 1979 the Seller shall transfer only such title or rights in respect of the goods as the Seller has.

(B) The Seller will remain the sole and absolute owner of the goods until such time as the agreed price of the goods has been paid to the Seller by the Buyer.

(C) The Buyer may incorporate the Seller's goods into another product or chattel with the prior express written permission of a duly authorised representative of the Seller. If goods are mixed or united in any way with those of the Buyer the final product will become and will be deemed to be for all purposes the property of the Seller. If the Seller's goods are mixed or united in any way with the property of any person other than the Buyer or are processed with or incorporated with such property the final product will become and will be deemed to be for all purposes to be owned by the Seller in common with that person.

(D) Notwithstanding that risk in the goods has already passed (in accordance with Condition 6 hereof) title in the goods shall remain with the Seller and shall not pass to the Buyer until the amount due for the goods has been paid in full.

(E) The Buyer shall be a bailee of the goods for the Seller until title has passed to the Buyer and:

(i) shall store the goods upon its premises separately from its own goods or those of any other person;

(ii) shall clearly mark the goods so that they are clearly identifiable as the goods of the Seller;

(iii) shall keep the goods insured against theft loss or damage.

(F) The Buyer warrants that:

(i) being an individual he is not insolvent and has not made a proposal to his creditors for a composition or done anything which would entitle a petition for a bankruptcy order to be made;

(ii) being a Company neither the Company nor any director knows of any circumstances which would entitle a debenture holder or secured creditor to appoint a receiver or to petition for winding up of the Company or to apply for the appointment of any administrator or exercise any other rights over or against the Company's assets.

(G) If the Buyer is a Company it must give fourteen (14) days' notice to the Seller before applying to the Court for the appointment of an administrator. The Buyer will not be entitled to remain in possession of the Seller's goods from the date of notice and the appointment of an administrator without giving notice shall be deemed to be a fundamental breach of contract.

(H) The Buyer's right to possession of the goods will cease at the earliest of the following dates:

(i) on the expiration of any agreed period of credit;

(ii) if the Buyer does or fails to do anything which may in any way imperil the title of the Seller to the goods;

(iii) if (being an individual) enters into a deed of arrangement or compounds with his creditors or is unable to pay or has no reasonable prospect of being able to pay his debts as such inability is defined in the Insolvency Act 1986 or does anything which would entitle a petition for a bankruptcy order to be made or if a bankruptcy order is made against him or if (being a company) an order is made or a resolution is passed for the winding up of the Buyer (otherwise than for the purposes of amalgamation or reconstruction previously consented to in writing by the Seller) or if a receiver is appointed of any of the Buyer's assets or undertaking or if circumstances arise which entitle the Court or a creditor to appoint a receiver or manager or administrator or which entitle the Court to make a winding-up order or if the Buyer takes or suffers any similar or analogous action in consequence of debt;

(iv) if the Buyer commits any breach of this or any other contract between the Seller and the Buyer.

(I) The Seller may enter upon any premises where the Buyer has stored the Seller's goods or the Seller reasonably believes the goods to be stored in order to repossess the goods. This right shall continue to subsist notwithstanding the termination of the Contract for any reason and is without prejudice to any accrued rights of the Seller thereunder or otherwise.

(J) The Seller will have the right if Conditions 8(E), 8(G) or 8(H) apply:

(i) to repossess the goods;

(ii) to dismantle the goods without being liable for any damage caused by so doing;

(iii) to use or sell all or any of the goods;

(iv) to terminate without any liability to the Buyer the Buyer's right to sell or otherwise deal with the goods;

(v) to enter any premises of the Buyer for the aforesaid purposes.

(K) The Buyer may sell the goods on the Seller's account at any price which is not less than the price agreed between the Seller and the Buyer.

(L) If the Buyer sells on his own account:

(i) he will sell as agent and bailee of the Seller in law and in equity;

(ii) he will hold the proceeds of sale in trust for the Seller and will not mingle the proceeds with other monies and will not pay the proceeds of sale into an overdrawn bank account;

(iii) he will open a fiduciary account with his bankers and advise them that he holds the entire proceeds of sale to a sub-purchaser as trustee for the Seller;

(iv) he will ensure that the proceeds of sale are at all times identifiable as monies belonging to the Seller;

(v) until payment to the Seller of the agreed price he will not be entitled to transfer any profit from the proceeds of sale of the goods to any other account.

(M) If a receiver is appointed to the Buyer and at the time of appointment the Buyer has not yet received the proceeds of sale the Buyer, or the receiver as agent for the Buyer, will assign to the Seller at the earliest date possible all rights against the period or persons to whom the goods have been sold.

(N) The Seller will be entitled to maintain an action for the price of any goods notwithstanding that title in them has not passed to the Buyer.

(O) If the Buyer shall sell the goods before title in the goods has passed to the Buyer, the Buyer shall ensure that the terms of the contract for such sale include provisions whereby the Seller's rights under this Condition 8 are incorporated into such contract for sale.

9 Seller's Liability

(A) Non-delivery

Any claim for non-delivery of any goods must be notified in writing by the Buyer to the Seller within seven (7) days from the date on which the goods were to be delivered.

(B) Warranty

(i) The Seller warrants that the goods supplied are free from defects in material and workmanship but shall accept liability under such warranty only where any claim relating to any of the matters referred to therein has been made in writing within twelve (12) months of delivery of the goods to the Buyer.

(ii) The Seller shall not be liable for defects in the goods caused by fair wear and tear abnormal conditions of storage or use or any act neglect or default of the Buyer or of any third party any failure by the Buyer to comply with any instructions or advice communicated to the Buyer by the Seller or goods which have been adjusted altered adapted or repaired by any party other than the Seller.

(C) Defects in Goods and Short Delivery

(i) Any claim that the goods have been delivered in a damaged state or are not of the correct quantity or do not comply with their description must be notified to the Seller within seven (7) days of delivery.

(ii) Any alleged defects must be notified by the Buyer to the Seller within seven (7) days of delivery of the goods. Without prejudice to the provisions of Condition 9(B)(i) hereof if it is alleged that the defect was not reasonably apparent on inspection the Seller must be notified within seven (7) days from the time the defects were reasonably apparent or came to the Buyer's attention.

(iii) Any claims must be in writing and must contain full details of the claim including a full description of the allegedly defective goods.

(iv) The Buyer must afford the Seller reasonable opportunity and facilities to investigate any claims made by the Buyer and if requested in writing by the Seller must promptly return any goods which are the subject of any claim, and any packing, securely packed and carriage paid to the Seller for examination.

(v) Under no circumstances whatsoever will any allegedly defective goods be accepted by the Seller unless the Buyer has contacted the Seller's service department in advance and having provided details of the alleged defect received

authorisation from the Seller's service department agent for the return of the allegedly defective item. If authorisation is given then a returns reference number will be provided to the Buyer and must accompany the returned item.

(vi) If the allegedly defective goods are held by a third party customer to which the Buyer has sold the goods then the Buyer at its discretion may request the third party to contact directly the Seller's service department for advice and in these circumstances the Seller will deal directly with the Buyer's customer and implement the terms of the warranty governing the supply of the goods to the Buyer. The Buyer itself may not instruct the Buyer's customer to return the allegedly defective goods to the Seller.

(vii) In the event of an allegedly defective item being returned to the service department but no defect found then the Seller will impose a charge to cover the costs of inspection testing and return of the item to the Buyer or to the Buyer's customer.

(viii) The Seller will not be liable for any defects unless a claim is made in accordance with Conditions 9(A), 9(B) and 9(C)(i) to (vii) hereof.

(ix) Delivery of any repaired or replacement goods will be at the place for delivery stated in Special Condition 5(B) hereof.

(D) The Seller shall have no liability to the Buyer in the event of the goods infringing or being alleged to infringe the rights of any third party. In the event that the goods are or may be the subject of patent copyright registered design trade mark or other rights of any third party the Seller shall be obliged to transfer to the Buyer only such title as the Seller may have.

(E) Extent of Seller's Liability

(i) If the Buyer establishes that any goods have not been delivered have been delivered damaged or are not of the correct quality and liability is accepted by the Seller under paragraphs (A) (B) or (C) the Seller's only obligation shall be at its option to make good any shortage or non-delivery or allow the Buyer credit for their invoice value and/or as appropriate replace or repair any goods found to be damaged or defective and the Seller's aggregate liability to the Buyer whether for negligence breach of contract misrepresentation or otherwise shall in no circumstances exceed the cost of the defective damaged or undelivered goods determined by net price invoiced to the Buyer in respect of any occurrence or series of occurrences.

(ii) Subject to the foregoing all conditions warranties and representations expressed or implied by statute common law or otherwise in relation to the goods are hereby excluded and the Seller shall be under no liability to the buyer for any loss damage or injury direct or indirect resulting from defective material faulty workmanship or otherwise howsoever arising and whether or not caused by the negligence of the Seller its employees or agents SAVE THAT the Seller shall accept liability for death or personal injury caused by the negligence of the Seller.

(iii) The Seller will not be liable where any goods are lost or damaged in transit and all claims by the Buyer must be made against the Carrier. Replacements for such lost or damaged goods will if available be supplied by the Seller at the prices in force at the date of despatch of the replacement goods.

(iv) No claim may be made by the Buyer for any defect arising from any design or specification provided or made by the Buyer or if any adjustments alternations adaptations or other work has been done to the goods by any person other than the Seller.

(F) Effect of Seller's Liability

If the Seller is liable in accordance with the terms of this Contract for some or part of the goods the Contract will remain in full force in relation to the other or other parts of the goods and no set off or other counterclaim will be made by the Buyer against or in respect of such other parts of the goods.

10 Software Licences

(A) Software interfaces are supplied by the Seller with the goods subject to the following terms and conditions:

(a) The Buyer is granted a non-exclusive licence to use the software interface in conjunction with the Seller's goods for a period of ninety-nine (99) years commencing on the date of delivery of the software interface.

(b) The Buyer undertakes:

(i) to take all reasonable measures to ensure that the software interface does not leave its possession or control whether by loan theft or otherwise;

(ii) not to make copies of the software interface;

(iii) not to disclose any details of or information concerning the software interface to any third party;

(iv) not to interfere with alter or amend the software interface or any part of it unless expressly authorised in writing by the Seller.

(c) The Buyer acknowledges that any copyright or other intellectual property rights of whatever nature that subsist or may subsist in the software interface and all associated documentation are and shall remain the property of the Seller absolutely and the Buyer shall obtain only such rights therein as are licensed to it hereunder.

(B) Other software products ("software") whether a stand-alone program or an accessory to the Seller's goods are each supplied subject to the Seller's product-specific legal licence agreement governing its sale and use including the following terms and conditions:

(i) The software is owned by the Seller or its suppliers and is protected by copyright laws and international treaty provisions and must be treated by the Buyer and by the Buyer's customers like any other copyrighted material.

(ii) The Buyer undertakes not to disclose any details of or information concerning the software to any third party.

(iii) The Buyer undertakes not to interfere with alter or amend the software or any part of it unless expressly authorised in writing by the Seller.

(iv) The Buyer acknowledges that any copyright or other intellectual property rights of whatever nature that subsist or may subsist in the software and all associated documentation are and shall remain the property of the Seller absolutely and the Buyer shall obtain only such rights therein as are licensed to it hereunder.

11 Seller's Drawings etc.

Any tools patterns materials drawings specifications or other information provided by the Seller remains the Seller's property and all technical information patentable or unpatentable copyright and registered designs arising from the execution of any orders will become the property of the Seller.

12 Force Majeure

(A) the Seller shall not be liable to the Buyer for any loss or damage which may be suffered by the Buyer as a direct or indirect result of the supply of goods by the Seller being prevented hindered delayed or rendered uneconomic by reason of circumstances or events beyond the Seller's reasonable control including but not limited to Act of God war riot strike lock-out trade dispute or labour disturbance accident break-down of plant or machinery fire flood storm difficulty or increased expense in obtaining workmen materials or transport or other circumstances affecting the supply of the goods or of raw materials therefor by the Seller's normal source of supply or the manufacture of the goods by the Seller's normal route of means of delivery.

(B) If a limited quantity of goods is available to the Seller by reason of such circumstances or events the Seller may apportion the available quantity between its customers at its entire discretion.

13 Buyer's Indemnity

(A) The Buyer shall indemnify the Seller against any and all liabilities claims and costs incurred by or made against the Seller as a direct or indirect result of the

carrying out of any work on or to the goods in accordance with the requirements or specifications, or under the servicing arrangements, of the Buyer.

(B) The Seller accepts no responsibility for any errors omissions or other defects in any drawings designs or specifications not prepared by the Seller and the Buyer shall indemnify the Seller against any and all liabilities claims and costs incurred by or made against the Seller arising therefrom.

14 Insolvency and Default

(A) If the Buyer (being an individual) enters into a deed of arrangement or compounds with his creditors or is unable to pay or has no reasonable prospect of being able to pay his debts as such inability is defined in the Insolvency Act 1986 or does anything which would entitle a petition for a bankruptcy order to be made or if a bankruptcy order is made against him or if (being a company) an order is made or a resolution is passed for the winding up of the Buyer (otherwise than for the purposes of amalgamation or reconstruction previously consented to in writing by the Seller) or if a receiver is appointed of any of the Buyer's assets or undertaking or if circumstances arise which entitle the Court or a creditor to appoint a receiver or manager or administrator or which entitle the Court to make a winding-up order or if the Buyer takes or suffers any similar or analogous action in consequence of debt or commits any breach of this or any other contracts between the Seller and the Buyer the Seller may without prejudice to any of its other rights stop any goods in transit and/or suspend further deliveries and/or determine the rights of the Buyer under Condition 8 hereof and/or by notice in writing to the Buyer determine the Contract.

15 Waiver

Failure by the Seller to exercise or enforce any rights hereunder shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.

16 Sub-contracting

The Seller may wholly or partly sub-contract the performance of the Contract.

17 Assignment

The Contract is between the Seller and the Buyer as principals and may not be assigned by the Buyer without the express written consent of the Seller.

18 Seller's Lien

The Seller has the right to exercise a lien on all the Buyer's property in the Seller's possession until all sums due at any time from the Buyer have been paid and has the right to use sell or dispose of the property as agent for and at the expense of the Buyer and apply the proceeds in and towards the payment of such sums on giving seven (7) days notice in writing to the Buyer. Upon accounting to the Buyer for any balance remaining after payment of any sums due to the Seller and the costs of sale or disposal the Seller will be discharged of any liability in respect of the Buyer's property.

19 Notices

Any notice hereunder shall be deemed to have been duly given if sent by prepaid Recorded/Special Delivery first class post fax or telegraph to the party concerned at its last known address.

20 Governing Law

The contract shall be governed by and construed in accordance with the Laws of England and the parties hereby submit to the exclusive jurisdiction of the English Courts.

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