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Signature Networks Limited

STANDARD TERMS & CONDITIONS OF SALE & SUPPLY

Interpretation

'Conditions'

means the standard terms and conditions of sale set out in this document, (including any special terms and conditions agreed in writing between the Purchaser and the Seller).

'Contract'

means the contract for the purchase and sale of the Product which incorporate the Conditions together with any specifications provided on the Seller's quotations form.

'Purchaser'

means any legal person, firm, company or other body who accepts a quotation from the Seller for the sale of the Products or whose order for the Products has been expressly accepted by the Seller.

'Manufacturer'

means the person, firm, or company which makes the Products.

'Products'

means any hardware, software, any component or part thereof and/or any peripheral equipment including any support documentation in whatever format.

'Intellectual Property Rights'

means any patent, copyright, registered design or unregistered design right and any application for any of the foregoing, any rights in respect of confidential information and any other intellectual property rights.

'Seller'

means Signature Networks Limited of 11 Brickfields Ind Est, Finway Road, Hemel Hempstead, Herts HP2

'Software Product Licence'

means either the Seller or the Manufacturer's irrevocable, non-exclusive and non-transferable licence to use the software embedded in the Products in accordance with these Conditions.

'Specification'

means the specification as given by the Manufacturer in any of its published material or, in accordance with any written specification provided by the Purchaser which has been expressly agreed by the Seller and

'Services'

means the services of system design, pre-sales support, installation, modification, product configuration, training and post-sales support provided in accordance with these Conditions (excluding those repair and

'Warranty'

means the express warranty given by the Seller to the Purchaser pursuant to Clause 7 herein.

'Warranty Period'

means the period of ninety (90) days from installation or delivery (if installation is prevented).

The headings in these conditions are for convenience only.

Basis of Sale

The Seller shall sell and the Purchaser shall purchase the Products and/or the Services in accordance with the Seller's written quotation or any written order of the Purchaser which is accepted by the Seller subject in either case to these Conditions, which shall govern the Contract to the exclusion of any other terms and

No variation to these Conditions shall be binding unless agreed in writing between the authorised representatives of the Seller and the Purchaser.

Software Product Licence

The provision of any software by the Seller shall be subject to the Seller's or the Manufacturer's Software

Orders & Specification

No order submitted by the Purchaser shall be deemed to be accepted by the Seller unless or until confirmed in writing by the Seller's authorised representative.

The Purchaser shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any Specification produced by the Purchaser) and disclosing to the Seller any necessary information relating to the Products within a sufficient time so to enable the Seller to perform the Contract in accordance with its

The quantity, quality and description of any Specification for the Products shall be those set out in the Seller's quotation (if accepted by the Purchaser) or the Purchaser's order (if accepted by the Seller).

No order which has been accepted by the Seller shall be cancelled by the Purchaser except with the written

Each order placed by Purchaser and constituting a Contract in accordance with the terms of these Conditions shall be considered a separate transaction.

Delivery

The Purchaser shall provide the Seller with any necessary information to facilitate the delivery and (where appropriate) the installation of the Products. The Purchaser shall reimburse the Seller for any costs, charges and expenses incurred by the Seller as a direct result of the Purchaser's failure to disclose such information.

Unless otherwise agreed in writing between the parties, any time or date for delivery and/or installation given by the Seller is given in good faith but is an estimate only.

Any installation of the Products shall take place subject to the Seller's standard terms and conditions and subject further to the Seller's charges for the time being in force.

Following installation, the Seller shall notify the Purchaser that the Products have been tested to perform in accordance with the Specification.

The risk of any damage to or loss of the products shall pass to the Purchaser upon the point of delivery. Title to the products comprised in each consignment shall not pass to the purchaser until the seller has received payment in full for their price. Such title shall in any event exclude any proprietary rights in any of the software comprised in the Products, which shall remain vested with either the Seller or the Manufacturer as the case

Until such time as the title in each consignment of the products passes to the Purchaser, the Purchaser shall hold the Products as the Seller's fiduciary agent and the bailee and shall keep the Products separate from

Price

The price of the Products and/or the Services shall be the Seller's quoted price, or where no price has been quoted, the price given in the Seller's published price list current at the date of the Seller's acceptance of the

The Seller and the Manufacturer (at their own discretion) may vary their respective published price lists from time to time. Any price change shall become effective immediately upon the Seller giving written notice thereof to the Purchaser, save that the Seller will for a period of thirty (30) days thereafter honour the prices contained in any pre-existing written quotations provided to the Purchaser by the Seller.

The Purchaser shall pay the Seller the price for the Products and/or the Services within thirty (30) days from the date of the Seller's invoice and for this purpose time shall be of the essence.

Unless otherwise agreed in writing, the due date for payment shall be the date the invoice is issued.

Without prejudice to Clause 6.3., the Seller shall be entitled to charge interest at the rate of 2.5% above the base rate of HSBC Bank plc in force from time to time from the date when payment was due until the date when actual payment is made (irrespective of whether the date of payment is before or after any judgment or

The Purchaser shall not be entitled to make any deduction or set off in respect of the price or withhold payment for any reason whatsoever.

If the Purchaser shall fail to pay the Seller's invoice on the due date, the Seller may, at its entire discretion and without prejudice to any other remedy which the Seller may have, enter the Purchaser's premises and take

All prices and charges payable in connection with the supply of the Products and/or the Services are exclusive of VAT (Value Added Tax) or any other applicable taxes or duties which shall be payable in addition to the

Warranty

Subject to the conditions set out below, the Seller warrants that for the Warranty Period, the hardware will be free from defects in materials and workmanship, and the software will substantially conform to the Manufacturer's published specification for such software provided that the Purchaser utilises such Products in

In the event of any claim under the Warranty, the Seller shall only be obliged to repair or replace the Products, or if the Seller is unable to repair or replace any of the Products, the Seller shall only be obliged to reimburse the Purchaser with any part of the price which has been paid by the Purchaser in respect of the defective Product or part. All defective Products or parts thereof which are removed pursuant to this sub-clause shall become the absolute property of the Seller. The replacement Products or parts thereof shall become the

The Warranty Period shall commence upon :-

the date upon which installation is completed, where installation is undertaken by the Seller or its agent. If the Seller is prevented from installing the Products by any cause beyond its reasonable control for a period of thirty (30) days starting with the date of delivery, installation shall for this purpose, be deemed to take place,

in any other cases, the actual date of delivery.

It shall be the responsibility of the Purchaser to return the Products to the Seller's premises during normal working hours for replacement or repair.

If upon investigation, the Seller is able to diagnose that the fault claimed by the Purchaser is not a matter covered by the terms of the Warranty, then the Purchaser shall pay the Seller's standard charges for the time being in force for any work undertaken in respect of such diagnosis.

Exclusions to the Seller's Warranty

The Seller shall have no liability to the Purchaser in respect of any defect in workmanship or materials which is not subject to of a written notification within the Warranty Period.

The Seller shall have no liability to the Purchaser under the Warranty in respect of any Products which;

have not been maintained by the Purchaser in accordance with the Seller's recommendations or

have been operated or modified contrary to the Seller's recommendations or Manufacturer's instructions;

have had their serial numbers removed or altered, or

have been subject to abuse, negligent or other improper treatment or have been otherwise damaged at any

Save as provided in Clause 7 above , all other warranties, conditions or any other terms implied by statute or common law as to the quality or fitness of the Products or their compliance with any description or sample are

Intellectual Property

The Purchaser shall promptly and fully notify the Seller of any actual or threatened infringement of any of the Intellectual Property Rights referred to herein.

The Seller shall indemnify the Purchaser against and in respect of such costs, charges, expenses, liabilities, and damages awarded against or incurred or paid by the Purchaser as a direct result of any claim that the Products infringe any Intellectual Property Rights of any other person, except to the extent that the claim arises from the Seller's compliance with any Specification supplied by the Purchaser.

The Seller shall have no liability under Clause 9.2 to the Purchaser in respect of any alleged infringement which is based upon the sale or use of any Products in combination with any other products not supplied by

The Seller shall have no liability under Clause 9.2 to the Purchaser in respect of any unauthorised modifications, changes or alterations by the Purchaser or its agents to any Products supplied by the Seller.

Liability

The following provisions set out the entire financial liability of the Seller (including liability for the acts or omissions of its employees, agents and sub-contractors) to the Purchaser in respect of:

10.1.1 any breach of these Conditions; and

10.1.2 any representation, statement or tortious act or omission including negligence arising under or in

The Seller does not limit its liability (if any) in respect of any of the following:

10.2.1 fraud;

10.2.2 the death of, or personal injury to, any person caused by negligence

10.2.3 under section 12 of the Sales of Goods Act 1979;

10.2.4 under section 2 of the Supply of Goods and Services Act 1982;

10.2.5 the intellectual property rights indemnity specified in Clause 9.2.

Subject to Clause 10.2 above:

10.3.1 the Seller's total aggregate liability in contract, tort (including negligence or breach of statutory duty), misrepresentation or otherwise, arising in connection with the performance or contemplated performance of each order or Contract shall be limited to one hundred and twenty per cent (120%) of the total price paid by

10.3.2 the Seller shall not be liable to the Purchaser for any indirect or consequential loss or damage (whether for loss of profit, loss of business, depletion of goodwill or otherwise), costs, expenses or other claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the

The Seller shall maintain at its own cost employers liability and public (including product) liability policies of insurance covering all risks normally covered by policies of that type.

YEAR 2000

The Purchaser acknowledges that the Equipment and/or Software provided by The Seller under this Agreement is manufactured or written, respectively, by a third party known to the Purchaser, therefore, the Purchaser shall accept the limitations of this foregoing remedy as fair and reasonable in the circumstances

(a) The Seller shall provide to the Purchaser at the time of delivery of the Equipment and/or Software, a clear written statement as to the relevant manufacturer's declared Year 2000 compliance definition for each part of the Equipment and/or Software, as provided to The Seller by the manufacturer.

(b) The Seller warrants that its own computer hardware and software utilised in the provision of any Equipment and/or Software will be Year 2000 Compliant by 31st March 1999. For the purpose of this clause "Year 2000 Compliant" shall have the meaning set out in the BSI document DISC PD 2000 – 1.

(c) The Seller further warrants (so far as The Seller is aware, and having made all reasonable enquiries of the manufacturer) that each part of the Equipment and/or Software is compliant in accordance with the manufacturer's Year 2000 compliance definition (appended hereto) and The Seller agrees to pass to the Purchaser any further compliancy statements as and when these are received from the manufacturer.

(d) The liability (if any) of The Seller under this Agreement, in tort or otherwise, in respect of all or any loss or damage suffered by the Purchaser as a direct failure of the Equipment and/or Software to meet the manufacturer's Year 2000 compliance definition (as appended hereto) shall not exceed the act of repair or replacement of the affected Equipment and/or Software, by The Seller, within a reasonable time to provide the

(e) The Seller shall have no liability (at all) under this Agreement, in tort or otherwise for any indirect, special or consequential loss or damages (including loss of profit or other economic loss).

(f) Further, The Seller shall have no liability (at all) under this Agreement, in tort or otherwise for any losses or damages, howsoever arising, from any changes, modifications, upgrades, or configurations made by the Purchaser or its employees or agents to any of the Equipment and/or Software or any third party host equipment, installations or devices to which the Equipment and/or Software maybe directly or indirectly

(g) The Purchaser warrants that it has undertaken a sufficient testing procedure to ensure that all of its third party software interfacing with any of the Equipment and/or Software is compliant pursuant to the compliancy definition given within the BSI document – DISC PD 2000 – 1. The Purchaser further agrees that, if upon examination of the Equipment and/or Software for alleged non-compliancy, and The Seller is able to establish that any alleged Year 2000 failure is directly attributable to a Purchaser's non-compliant hardware or software applications, The Seller shall be entitled to recover all of its costs and expenses involved with the investigation

THE SELLER'S PROPERTY AND PERSONNEL

All documentation, schematics and test equipment, and any software (including diagnostic software) for which a licence has not been granted to the Purchaser shall remain the property of the Seller and may be removed

EXPORT

Unless the Seller has previously agreed in writing, the Purchaser shall not order the Products to be delivered outside the United Kingdom whether or not the Products are to be re-exported or are to be delivered to the Purchaser who intends to export the Products outside the United Kingdom.

The supply of the Products to be delivered to the Purchaser or for export outside the United Kingdom is conditional upon the Purchaser obtaining all necessary licences, permits and approvals which are required for

The Purchaser shall not export the Products from the United Kingdom or re-export the Products outside the agreed country to which they are delivered by the Seller without first obtaining from the Seller and the appropriate authority in the United Kingdom or elsewhere, any necessary licences, permits and approvals

CANCELLATION

No order for the Products may be cancelled or re-scheduled without the prior written consent of the Seller.

Force Majeure

For the purpose of this Contract "Force Majeure" means, in relation to either party, any circumstances beyond the reasonable control of that party (including, without limitation, any strike, lock-out or other form of industrial

If any Force Majeure occurs in relation to either party which affects or may affect the performance of any of its obligations under this Contract, it shall forthwith notify the other party as to the nature and extent of the

Neither party shall be deemed to be in breach of this Contract, or shall otherwise be liable to the other, by reason of any delay in performance, or the non-performance of any of its obligations under this Contract to the extent that the delay or non-performance is due to any Force Majeure of which it has notified the other party,

If the performance by either party of any of its obligations under the Contract is prevented or delayed by Force Majeure for a continuous period in excess of thirty days, the other party shall be entitled to terminate this Contract by giving written notice to the party so affected, whereupon all money due up to the point of termination under the Contract shall be paid immediately, and in particular the Purchaser shall pay to the

Termination

Without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to terminate the Contract or suspend any further deliveries of Products or provision of Services under the Contract without

16.1.1 if the Purchaser fails to pay the price for the Products and/or the Services by the due date or breaches any other provision hereof and fails to remedy (if the breach is capable of remedy) within fifteen days of

16.1.2 if the Purchaser makes or offers to make a voluntary arrangement with its creditors, or goes into liquidation (otherwise than voluntarily for the purpose of amalgamation or reconstruction) or becomes subject to an administration order, or if a receiver is appointed over any part of its business or assets. In such circumstances the price for the Products and/or the Services becomes immediately due and payable.

Without prejudice to any other right or remedy available to the Purchaser, the Purchaser shall be entitled to

16.2.1 if the Seller fails to supply the Services under the terms of the Contract and fails to remedy such breach (if the breach is capable of remedy) within fifteen days of receiving written notice from the Purchaser

16.2.2 if the Seller makes or offers to make a voluntary arrangement with its creditors, or goes into liquidation (otherwise than voluntarily for the purpose of amalgamation or reconstruction) or becomes subject to an administration order, or if a receiver is appointed over any part of its business or assets. In such circumstances the price for the Products and/or the Services becomes immediately due and payable.

General Provisions

Neither party shall assign any of its rights or obligations under this Contract without the prior written approval

If any of the Products are sold or transferred on to a third party, the Purchaser shall notify such third party of any of the Seller's product safety notices, recommendations or operating instructions and any restrictions under these Conditions relating to the Products and the Purchaser shall indemnify the Seller for any damages, charges, liabilities, costs or expenses incurred by the Seller as a result of the Purchaser's failure to

No waiver by either party of any breach of any of the Contract shall be considered as a waiver of any subsequent breach of the same or any other term or condition.

Any notice required, or permitted, to be given by either party to the other under these Conditions shall be in writing and addressed to the other party at its registered office or principal place of business.

If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question

The Contract constitutes the entire agreement between the Seller and the Purchaser and no representation or statement not contained in this Contract shall be binding on the Seller.

The construction, validity, interpretation and performance of the Contract shall be governed in all respects by English Law and the parties hereto submit to the exclusive jurisdiction of the English Courts.

Non-Solicitation

The Purchaser shall not without the consent of the Seller for a period of six (6) months after the delivery of the Products directly or indirectly solicit or entice away or endeavour to solicit away any employee of the Seller engaged in the provision of the Products and/or the Services or any other related network services supplied

