

OFFICE ELECTRICS LTD

STANDARD TERMS AND CONDITIONS OF PURCHASE

1. INTERPRETATION

1.1 In these Conditions the following words will have the following meanings:

"the Company" means Office Electrics Ltd registered number 02837025 whose address is 1 Calder Point, Monckton Road Industrial Estate, Wakefield, West Yorkshire, United Kingdom, WF2 7AL;

"Contract" means any contract between the Company and the Supplier for the sale and purchase of the Goods and/or Services supplied by the Supplier, incorporating these conditions;

"Delivery Date" means the date specified by the Company when the Goods or Services are to be delivered;

"Goods" means the articles that the Company agrees to buy from the Supplier, as set out in the Purchase Order;

"Invoice Address" means Finance Department, Office Electrics Ltd, 1 Calder Point, Monckton Road Industrial Estate, Wakefield, West Yorkshire, United Kingdom, WF2 7AL;

"Purchase Order" means the Company's Purchase Order for the Goods and/or Services;

"Price" means the price for the Goods or Services stated on the Purchase Order, inclusive of VAT (if applicable) or any analogous sales tax, carriage, freight, postage, insurance and other costs;

"Supplier" means the person or organisation to whom the Purchase Order is sent by the Company;

"Services" means all services and/or performance of works or professional services that the Company agrees to buy from the Supplier, as set out in the Purchase Order;

"Terms and Conditions" means these terms and conditions and any special terms and conditions agreed in writing by the Company and set out in the Purchase Order;

1.2 In these Conditions references to any statute or statutory provision shall unless the context requires otherwise include a reference to that statute or statutory provision as from time to time amended, consolidated, modified, extended, re-enacted or replaced.

1.3 In these Conditions references to the masculine include the feminine and the neuter and to the singular include the plural and vice versa as the context admits or requires.

1.4 In these Conditions headings will not affect the construction of these Conditions.

2. APPLICATION OF TERMS

2.1 Subject to any variation under condition 2.3 the Contract will be on these Conditions to the exclusion of all other terms and conditions (including any terms and conditions which the Supplier purports to apply under any confirmation of order, specification or other document).

2.2 No terms or conditions endorsed upon, delivered with or contained in the Supplier's confirmation of order, specification or other document will form part of the Contract simply as a result of such document being referred to in the Contract.

2.3 These Conditions apply to all the Company's purchases of Goods and / or Services and any variation to these Conditions and any representations about the Goods shall have no effect unless expressly agreed in writing and signed by a director of the Company.

2.4 Despatch or delivery of the Goods or Services by the Supplier to the Company shall be deemed conclusive evidence of the Supplier's acceptance of these Terms and Conditions.

3 PRICE

3.1 Unless otherwise agreed, the Price is:

3.1.1 that stated in the Purchase Order;

3.1.2 exclusive of UK VAT;

3.1.3 inclusive of any other taxes payable;

3.1.4 inclusive of cost of delivery to the delivery address specified by the Company and of standard packaging suitable for the means of delivery and any customs or import/export duties;

3.1.5 fixed; and

3.1.6 in the currency agreed between the Company and the Supplier, and if no currency has been agreed, in GB pounds sterling.

3.2 A valid VAT invoice in respect of the price shall be produced to the Company by the Supplier. Unless otherwise agreed in writing by the Company, the invoice may only be submitted and dated after completed delivery of the relevant Goods or completed performance of the relevant Services. The invoice shall not be valid unless it states the Invoice Address, the Company Purchase Order number, the Supplier's VAT number, the net amount due, and the Supplier's full banking details (including account number, sort code and, where applicable, SWIFT code).

3.3 The Company shall pay the price within 30 days from the end of the month of receipt of the invoice.

3.4 The Supplier shall not be entitled to vary the Price without the prior written consent of the Company.

3.5 The Company shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Supplier, whether or not shown in its own terms and conditions of sale.

3.6 The Company shall be entitled to off-set against any invoice, any amount due from the Supplier under the Purchase Order or under any other contractual arrangement.

4. WARRANTY

4.1 Unless otherwise agreed, the Supplier warrants to the Company, and it is a condition of the agreement between the Supplier and the Company, that the Goods themselves shall and the sale/performance of the Goods and Services shall:

4.1.1 comply with any specification and any drawings, descriptions or samples supplied and any requirements made by the Company;

4.1.2 be of satisfactory quality, safe and fit for their purpose and any Services shall be supplied with due care and skill by appropriately trained and qualified personnel;

4.1.3 comply with all laws and industry standards applicable to the nature of Goods and Services supplied.

4.2 Without prejudice to clause 4.1 and any other rights of the Company, the Supplier warrants that the Goods and Services shall continue to comply with clauses 4.1.1 and 4.1.2 until (i) 3 (three) months from the date of completed delivery of the Goods and Services or (ii) 3 (three) months after they are put into use (whichever is the sooner) and if they do not so comply the Supplier shall at its cost, within 14 days remedy the defect in the Goods and/or Services or replace the Goods.

4.3 The Company may without prejudice to its other remedies, within 3 (three) months of completed delivery at the Supplier's cost (including freight) reject, in whole or in part, Goods which do not comply with these Terms and Conditions. The Company shall not be deemed to have accepted the Goods on receipt. The signature of a representative of the Company on delivery is only evidence of the number of packages and/or Services received and not that they comply with these Terms and Conditions.

4.4 Where the Goods are repaired or replaced in terms of clause 4.2 the Supplier warrants those repaired or replaced Goods for a further period of 3 (three) months from the date of repair or replacement.

4.5 The Company shall be entitled to inspect and test the Goods during manufacture, processing, storage at the premises of the Provider (or any third party) prior to despatch, and the Supplier shall provide the Company with all facilities reasonably required for inspection and testing. The Supplier will provide any test certificates as may be required by the Company.

4.6 If as a result of inspection and testing carried out in accordance with clause 4.5, the Company is not satisfied that the Goods comply in all respects with the Contract, the Supplier shall take such steps as are necessary to ensure compliance.

5. DELIVERY OF GOODS AND/OR PERFORMANCE OF SERVICES

5.1 Delivery of the Goods and/or Services shall be made to the Company's address on the date specified in the Purchase Order during normal business hours, unless previously arranged otherwise. Time shall be of the essence in this respect and the Company is entitled to cancel, without notice, the whole or any part of the Purchase Order if this Clause is not complied with by the Supplier.

5.2 The Services (if applicable) shall be performed in a professional manner to the satisfaction of the Company. If any part of the Services is found to be inadequate or in any way differing from the Contract, other than as a result of default or negligence on the part of the Company, the Supplier shall at its own expense reschedule and perform the work correctly within such reasonable time as may be specified.

5.3 Where the Company cancels the whole or part of the Purchase Order in accordance with clause 5.1:

5.3.1 all sums payable by the Company in relation to the whole or part of the Purchase Order cancelled shall cease to become payable;

5.3.2 all sums paid by the Company in relation to the whole or part of the Purchase Order cancelled shall be repaid by the Supplier;

5.3.3 the Company shall be entitled to recover damages from the Supplier for any loss caused to the Company where the Company cancels the whole or part of the Purchase Order in accordance with clause 5.1.

5.4 Without prejudice to its other rights, the Company may cancel a Purchase Order in whole or in part (i) immediately if there is a material breach of these Terms and Conditions (these shall include any breach of clause 4) (and if the breach is remediable if it is not remedied within 14 days of the Company sending notice to the Supplier) or if the Supplier becomes bankrupt and (ii) on 1 (one) months' notice at any time prior to complete delivery of the Goods and Services.

5.5 The Supplier shall not without the Company's written consent subcontract the supply of Goods and/or performance of the Services under these Terms and Conditions.

6 THE COMPANY'S REMEDIES

6.1 The Company shall inspect the Goods or Services upon delivery in accordance with this clause 6.

6.2 Where Goods and/or Services are damaged the Company shall notify the Supplier. The Company may reject the damaged Goods and/or Services and the following provisions shall apply:

6.2.1 the Supplier shall collect the damaged Goods from the Company at the Supplier's expense;

6.2.2 during the period between delivery of the Goods and collection by the Supplier, the Company shall not be liable for any loss or further damage caused to the damaged Goods.

6.2.3 all sums payable by the Company in relation to the damaged Goods and/or Services shall cease to become payable;

6.2.4 all sums paid by the Company in relation to the damaged Goods and/or Services shall be repaid by the Supplier;

6.2.5 the Company shall be entitled to claim damages from the Supplier for any losses caused to the Company as a result of the Goods and/or Services being damaged.

6.3 Where there are shortages in relation to the Purchase Order the Company shall notify the Supplier and the following provisions shall apply:

6.3.1 all sums payable by the Company in relation to the missing Goods shall cease to become payable;

6.3.2 all sums paid by the Company in relation to the missing Goods shall be repaid by the Supplier immediately;

6.3.3 the Company shall be entitled to claim damages from the Supplier for any losses caused to the Company as a result of the shortages.

6.4 If the Company so requests, the Supplier shall immediately replace damaged Goods or Services or Goods or Services which are missing at the Supplier's expense and/or the Company shall be entitled to cancel, without notice, the whole or any unexecuted part of the Purchase Order and the rights referred to in Clause 6.2 shall apply.

6.5 Where there is an excess of Goods in relation to the Purchase Order the Company may reject the excess Goods by notice in writing to the Supplier and the following provisions shall apply:

6.5.1 the Supplier shall collect the excess Goods from the Company at the Supplier's expense;

6.5.2 during the period between delivery of the Goods and collection by the Supplier, the Company shall not be liable for any loss or damage caused to the excess Goods;

6.5.3 no sum shall be due to the Supplier for the excess Goods and in the event that sums are paid to the Supplier for the excess Goods, the Supplier shall repay such sums to the Company immediately.

6.6 The Company may accept excess Goods by notifying the Supplier of such acceptance and the price of the excess Goods shall be payable by the Company in accordance with Clause 3.

6.7 The Supplier shall repair or replace free of charge, Goods damaged or lost in transit upon receiving notice to that effect from the Company.

7. TITLE AND RISK

7.1 The title and risk in the Goods and/or Services shall remain with the Supplier until they are delivered at the point specified by the Company in the Purchase Order or any other relevant document, and transferred to the Company's possession, at which time title and risk in the Goods and/or Services shall transfer to the Company.

8. INDEMNITY

8.1 The Supplier shall fully indemnify the Company and keep the Company fully indemnified for any claims, demands, cause of action, damage, loss, consequential loss, costs, expenses (including legal expenses) made against or suffered by the Company arising out of loss or damage to any Company property, negligence or a breach by the Supplier of any of the Terms and Conditions set out here.

9. INTELLECTUAL PROPERTY RIGHTS

9.1 All patents, copyright, design rights and other intellectual property rights ("IPR") in any materials prepared or supplied by the Company to the Supplier shall remain the property of the Company.

9.2 All IPR in materials prepared or developed by the Supplier in connection with the provision of Services shall vest in the Company, unless specifically agreed otherwise in writing between the Company and Supplier.

9.3 The Supplier shall disclose to the Company all inventions which the Supplier or its staff may make in performing the Services and which are wholly or substantially based on concepts or data developed or supplied by the Company. All IPR to such inventions shall vest in the Company.

9.4 The Supplier shall execute all documents and perform such acts as may reasonably be necessary to enable the Company to obtain and/or maintain its IPR.

9.5 In respect of IPR vested in a third party, the Supplier shall obtain from such third party (at no cost to the Company) such permission, waiver or licence as may be necessary for the performance of the Services and/or for the data to be used, copied or modified by the Company or by any third party authorised by the Supplier.

9.6 The Supplier waives, and shall procure from any third party the waiver of, the exercise against the Company of all moral rights in materials that are or become vested in the Supplier and/or any third party.

10. SOFTWARE

10.1 Unless otherwise agreed, where the Goods or Services include the supply of software then:

10.2 if the software is bespoke or has been specially commissioned by and developed for the Company, then the Supplier hereby assigns all intellectual property rights (and waives all moral rights) in such software and related documentation to the Company and the Supplier shall on request without further payment sign or execute further documentation to formalise or perfect the assignment

10.3 pending any necessary formalisation of the assignment and in any other case than under clause 10.2, the Supplier hereby grants to the Company and the Company's affiliates a non-exclusive, irrevocable, perpetual, worldwide licence to use the software for all reasonable purposes.

10.4 the Supplier shall supply the Company with all necessary manuals and with one copy in machine readable object code of the software and each new release of the software which modifies or enhances the software, and in the case of software under clause 10.2 it shall on the Company's request supply the source code.

10.5 without prejudice to clause 4, all hardware and software shall be capable of full use for their intended purpose and of maintenance and amendment by a software engineer external to the Supplier and reasonably qualified in the relevant sector without external costs to the Company and without recourse to any additional codes or materials other than those supplied as part of the Goods and Services.

11 SEVERANCE

11.1 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable, or unreasonable it shall to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

12 CONFIDENTIALITY

12.1 Supplier shall keep all work and services carried out hereunder for the Company entirely confidential, and not use, publish, or make known, without the Company's written approval, any information developed by the Supplier or furnished by the Company to any persons other than personnel of the parties to these Terms and Conditions. Any public representation regarding the Company shall be made by the Company and any requests for information made to the Supplier by the news media, or others, shall be referred to the Company. Additionally, the Supplier shall not reference the Company nor the work performed for the Company without prior written approval. Supplier further agrees to place under a confidentiality obligation, any subcontracts and/or consultants the Supplier enters into agreements with for the performance of work under these Terms and Conditions. Such confidentiality obligations shall be on terms no less stringent than the Supplier's confidentiality obligations under this clause 12.1

13 CANCELLATION

13.1 Without prejudice to its other rights the Company may cancel a Purchase Order in whole or in part (i) immediately if there is a material breach of these Terms and Conditions (this shall include any breach of Clause 4) (and if the breach is remediable if it is not remedied within 14 days of the Company sending notice of it to the Supplier) or if the Supplier is in financial difficulties and (ii) at any time prior to the completed delivery of the Goods or performance of the Services in accordance with these Terms and Conditions on 1 Month's notice. Terminating the Purchase Order shall not affect those Terms and Conditions which are capable of subsisting.

14 ASSIGNMENT

14.1 The Supplier may not assign or otherwise transfer its rights or obligations under these Terms and Conditions without the Company's prior written consent.

15 NOTICES

15.1 Unless otherwise agreed, notices to the Company shall be addressed to Office Electrics Ltd, 1 Calder Point, Monckton Road Industrial Estate, Wakefield, West Yorkshire, United Kingdom, WF2 7AL, and to the Supplier at its address as given on invoices, the Purchase Order or other official document.

16 GOVERNING LAW AND JURISDICTION

16.1 These Terms and Conditions shall be governed by and construed in accordance with the Law of England and Wales and the parties hereby submit to the non-exclusive jurisdiction of the Courts of England and Wales.

17. GENERAL

17.1 Time for performance of all obligations of the Supplier under the Contract is of the essence.

17.2 Each right or remedy of the Company under the contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.

17.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract will not be construed as a waiver of any of its rights under the Contract.

17.4 Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Supplier will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of the Contract.

17.5 The parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

17.6 The formation, existence, construction, performance, validity and all aspects of the Contract shall be governed by English law and the parties submit to the exclusive jurisdiction of the English courts.

17.7 The company reserves the right to amend these standard terms and conditions of purchase as and when appropriate. If the Company sends a revised version of its terms and conditions of purchase to the Supplier, together with a notice stating when they will come into force (being a date not less than one month after the date of that notice) and the Supplier continues to supply the Goods after that date then the Supplier is deemed to have accepted the revised conditions from that date.