

A.W. Communication Systems Limited

TERMS AND CONDITIONS OF SALE ("The Conditions")

Unless otherwise stated and signed by both the Company and the Customer the following Conditions shall apply:

1. DEFINITIONS

1.1 The term "Company" shall mean A.W. Communication Systems limited.

1.2 The term "Customer" shall mean the person, firm or company to whom the invoice or order acknowledgement is issued.

1.3 The term "Quotation", "Order Acknowledgement" and "Invoice" shall mean Company's Quotation, Order Acknowledgement or Invoice, respectively, which specifies that the conditions apply to it.

1.4 The term "Contract" shall mean the Contract between Company and Customer consisting of the Order Acknowledgement, these conditions and any other documents (or parts thereof) specified in the Order Acknowledgement. Should there be any inconsistency between the documents comprising the contract, they shall have precedence in the order herein listed.

1.5 The term "Goods" includes all goods covered by the Order Acknowledgement whether raw materials, processed materials or services.

2. THE CONTRACT

All Quotations are given and orders accepted by the Company subject to these terms and conditions. Any provision, stipulations or condition in the Customers order form or elsewhere which conflicts with or in any way qualifies or negates any of these terms and conditions, shall have no effect and these terms and conditions shall prevail.

No portion of these terms and conditions shall be invalidated or varied unless evidenced in writing by authorised representatives of Company and Customer.

A Quotation given by Company is not an offer and Company shall not be bound until Customers order has been accepted by Company and confirmed in Writing by Company's authorised representative with an Order Acknowledgement. Company reserves the right to withdraw or vary any Quotation without previous notice and in any event shall be deemed withdrawn 60 days after issuance.

3. CANCELLATION

Following acceptance by Company of Customers order, cancellation of Customers order will be accepted only at Company's discretion, and Company reserves the right in such an event to charge for all costs incurred prior to and/or resulting from such cancellation in addition to such other remedies as it may have.

Customer is responsible for ensuring the accuracy of the terms of any order, including any specification which applies. The quantity, quality and description of any specification for the Goods will be as set out in Company's Order Acknowledgement, if Customers order is accepted by Company.

4. PRICE AND PAYMENT

The price of Goods will be the quoted price as confirmed or if no price has been quoted, as stated in Order Acknowledgement. The price is exclusive of VAT. The price is also exclusive of transport, packaging, insurance or any other applicable duties or taxes, unless otherwise explicitly agreed. Company reserves the right to increase the price of Goods as a result of any increase in costs borne by Company in supplying Goods over and above that envisaged when the price was agreed.

Accounts are due for payment 30 days from the date of invoice (the due date). Payment will be of the essence of the Contract. If Customer does not make payment by its due date then (without affecting any other right or remedy available to Company). Company can cancel the Contract or suspend further deliveries of Goods to Customer.

Customer shall not be entitled to withhold payment of any amount payable to Company by reason of any dispute or claim of Customer save in the case of short delivery or delivery of damaged Goods, in which case Customer shall remain liable to pay the invoice price of all other Goods delivered or available for delivery.

Company reserves the right to charge interest at 2% per month (or if higher at the rate of 4% above the base rate of National Westminster Bank plc for the period in question) on any sum outstanding after the due date. Interest will accrue from day to day effective from the date of the invoice and be compounded on the last day of each month until payment is made. Company also reserves the right to charge a processing fee of £ 100.00 (one hundred pounds) on each invoice which is outstanding after the due date of the invoice.

5. DELIVERY

Any delivery period quoted is given by Company in good faith as an estimate only and commences from the acceptance of Customers order and provided that Company takes all reasonable steps to deliver Goods within the quoted delivery period Company shall not be liable for any loss, damage or expense suffered by Customer or any other party by reason of any alleged delay in delivery. Goods collected by Customer

from Company's premises shall be deemed to be delivered and risk shall pass to Customer when they have been loaded on to Customers vehicle or are otherwise in Customers possession. Goods transported by Company shall be deemed to be delivered when they are ready to be unloaded on the site specified by the Customer. Customer shall be liable for any subsequent loss or damage to Goods however caused.

When delivery is refused by Customer or is delayed, suspended or made in instalments at the request of Customer or where Company is unable to deliver Goods due to circumstances beyond its reasonable control, Company on giving notification of readiness to deliver, shall be entitled to treat Contract as fulfilled and shall then place Goods into store. Delivery will then be deemed to have taken place for invoicing and passing of risk. The cost of storage and insurance of Goods shall be for Customers account. The cost of abortive delivery will be charged to Customer. Non-delivery or damages or shortages must be reported immediately and written confirmation given within 14 days of delivery or notification of despatch.

If forwarding instructions are not received within 7 days, or 14 days for export orders, of our advice to Customer that Goods are ready for despatch, Company shall be entitled to make an appropriate storage charge.

6. INSPECTION

Company's Goods are carefully inspected and submitted to Company's standard tests in their works before despatch. If special tests in the presence of Customers representatives are required, Company reserves the right to charge extra for such tests. These tests unless otherwise agreed, will take place in Company's works. In the event of any delay on the part of Customer attending such tests after having received seven days notice, the tests shall proceed in the absence of Customer and shall be deemed to have been made in his presence.

7. TITLE

Until payment has been made in full, Goods delivered shall remain the property of Company and Customer shall not pledge, charge or otherwise encumber them. Until the receipt by Company of such payment, Customer shall hold the Goods as a bailee for Company and shall be required to store the Goods safely and mark them in such a way that they are readily identifiable as the property of Company and so that each batch or item can be identified to each invoice of Company.

From the time of delivery until such time as title shall pass pursuant to the terms herein, Customer shall comprehensively insure and keep insured the Goods to their full invoiced value. In the event of a claim being made on such insurance, the proceeds of such insurance shall stand in place of the Goods in respect of which the claim was made and Customer shall pay such proceeds into a separate bank account which shall be held to the order of Company and Customer shall account to Company for such proceeds. Company reserves the right in its absolute discretion at any time to revoke the Customers power of sale forthwith by notice in writing and shall thereupon be entitled to enter upon any site or premises for the purpose of removing its Goods.

8. FITNESS FOR PURPOSE

Unless specifically stated by Company in the Quotation, no representation or warranty is given as to the suitability or effectiveness of the Goods for any particular purpose and Customer shall satisfy himself in this respect and shall be totally responsible therefore. Notwithstanding, that a sample of the Goods has been exhibited to and inspected by Customer, it is hereby declared that such example was so exhibited and inspected solely to enable Customer to see the substance and general character of the Goods and not so as to constitute a sale by sample under this Contract, nor shall any description of the said goods constitute a sale by description. Customer must rely on his own inspection.

9. GENERAL LIABILITY & WARRANTY

In lieu of any warranty, conditions or liability implied by the law, Company's liability in respect of any defect in or failure of the Goods supplied or for any loss, injury or damage attributable thereto, is limited to the fullest extent permitted by the law, to making good by replacement or repair defects which, under proper use, appear therein and arise solely from faulty design, materials or workmanship, notified within a period of 12 calendar months or a period as specified by Company after the original Goods shall have been first despatched from Company's works, at the termination of which period all liability on Company's part ceases, to the fullest extent permitted by law. In no case shall Company be liable for any indirect, economic or consequential loss nor any losses from misrepresentation (apart from fraudulent misrepresentation).

Provided always that such defective parts are promptly returned to Company's works, unless otherwise arranged the repaired or new parts will be delivered at the cost of Company within the UK, or, in the case of Goods for shipment abroad, FOB British port of Shipment. Any labour

costs involved in refitting on site, if this is required, will be chargeable to the Customer.

10. INTELLECTUAL PROPERTY RIGHTS INDEMNITY

Customer will indemnify Company and keep Company fully and effectually indemnified against any proceeding claim or action that the Goods, including the results of any work carried out by Company or Company's employees, subcontractors or agents in connection with the Goods infringe or their supply, importation, use or resale infringes the copyright, registered or unregistered design right, patent, or patent application, trade or service mark or name, confidential information, know-how or any other like or similar industrial, commercial or intellectual property right of any person to the extent that such rights were used by Company at the request of Customer. This indemnity shall extend to all expenses, costs and damages which Company may incur as a result of any such action.

11. INTELLECTUAL PROPERTY RIGHTS

11.1 All copyright registered and unregistered design rights and all other industrial, commercial or intellectual property rights and all other right, title and interest in and to:

11.1.1 all and any results of any services rendered by Company or Company's employees, sub-contractors or agents pursuant to the Contract; and

11.1.2 all and any research, development or design work, testing, test results, reports, specifications and other preparatory work carried out by Company, Company's employees or sub-contractors and agents in order to ensure that the Goods (or any parts of any of them) conform in any designs, drawings, specifications, instructions or information supplied by Customer or any other terms and conditions of this Contract, shall remain Company's exclusive property.

11.2 Customer shall not disclose to any third party or use any such results, research, development or design works, testing, test results, reports, specifications and preparatory work except to the extent that it becomes public knowledge through no fault of Customer and as required for the purpose of this Contract.

12. FORCE MAJEURE

Company shall have no liability to Customer in respect of failure to deliver or perform or any delay in delivery or performing any obligations under the Contract due to any cause outside the reasonable control of Company including but not limited to the unavailability of materials or failure of the original manufacturer or supplier of materials or goods (if that shall not be Company) or of carrier to deliver the Goods or to deliver the Goods on time.

13. TERMINATION

This Contract may be terminated immediately by Company giving notice in writing and without liability to Company if Customer being a company, shall pass a resolution for winding up (otherwise than for the purpose of a solvent amalgamation or reconstruction where the resulting entity assumes all of the obligations of the relevant party under this Order) or a court shall make an order to that effect, or any petition to wind up the company is presented, or being a partnership shall be dissolved, or being an individual shall commit any act of bankruptcy or shall die, or if Customer (whether a company or not) shall cease, or threaten to cease to carry on business or substantially the whole of Customers business or become or are declared insolvent or commit any act of bankruptcy or convene a meeting of or make or propose to make any arrangement or composition with Customers creditors or if a liquidator, receiver, administrator, trustee, manager or similar officer is appointed in respect of any of Customers assets or any analogous step is taken in connection with Customers insolvency, bankruptcy or dissolution.

14. WAIVER

No failure or delay by Company in exercising any of Company's rights shall be deemed to be a waiver of that right, and no waiver by Company of any breach of Contract by Customer shall be considered as a waiver of any subsequent breach of the same or any other provision.

15. SEVERANCE

If any provision(s) of these conditions is (are) held by any competent authority to be invalid or un-enforceable in whole or in part the validity of the other provisions of these conditions and the remainder of the provisions in question shall not be affected.

16. HEADINGS

The headings in these conditions are for ease of reference and shall not affect their interpretation.

17. LAW

This Contract shall be governed by English Law and shall be subject to the exclusive jurisdiction of the English Courts.