

PURCHASING TERMS AND CONDITIONS

These terms and conditions relate to the supply contract between AASET ALLIANCE LEASING LIMITED ("AAG") and the Supplier consisting of the following:

- (a) one or more Purchase Orders and any schedule(s) to such Purchase Order;
- (b) these Conditions; and
- (c) any documents expressly incorporated into this contract or expressly referred to in a Purchase Order.

(the "Contract").

If there is any conflict or inconsistency between any of the above, the following shall have order of precedence: First, these Conditions, Second, the Purchase Order and its schedules and Third, any documents as referenced in paragraph (c) above.

The terms of these Terms and Conditions supersede all prior drafts, agreements, arrangements, understandings and discussions between AAG and the Supplier (or their advisors) whether written, oral, electronic or otherwise. The Contract is the entire, final, complete, and fully integrated agreement between the parties with respect to the subject matter hereof.

1 Definitions

1.1 In these Conditions unless the context otherwise requires:

"Charges" means the charges made by the Supplier for the provision of the Equipment and the Services all as set out in the Purchase Order.

"Conditions" these terms and conditions as amended from time to time in accordance with clause 15.5.

"Confidential Information" means the terms of these Conditions, its Purchase Orders and information relating to the business affairs, developments, trade secrets, know-how, personnel, customers or suppliers of AAG or that such information may reasonably be regarded as the confidential information of AAG.

"Delivery Date" means the date for delivery of the Equipment or Service as set out in the Purchase Order or agreed between the parties in writing.

"Equipment" means any supplies and/or equipment described in the Purchase Order.

"Equipment Description" means the description of the Equipment set out in the applicable Purchase Order and in the equipment, service description given to AAG or published (including electronically) by the Supplier or manufacturer at the time that the Purchase Order is placed.

"Intellectual Property Rights" means any patents, trade-marks, registered designs, applications for any of the foregoing, copyright, database rights, know-how, confidential information, trade and business and/or domain names and any other similar protected rights (whether registered or unregistered).

"Programs" means any items referred to as programs or software in the Purchase Order (including any associated documentation which may be supplied with them).

"Purchase Order" means AAG's purchase order document which states (i) the Equipment or Service to be provided by the Supplier; (ii) AAG's purchase order number.

"Services" means any services described in the Purchase Order.

"Supplier" means the person to whom the Purchase Order is addressed; and person includes partnerships, bodies corporate, corporations, associations, and government bodies and/or departments.

"Warranty Period" means as a minimum, a twelve (12) month warranty period after the Delivery Date, or such greater period as is negotiated between the Supplier and AAG, or if longer, the Supplier's standard warranty period applicable to the Equipment or Services.

1.2 References to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that statute or provision as from time to time amended, modified, extended, re-enacted, replaced and all statutory instruments or orders made pursuant to it.

1.3 Any phrase introduced by the word "including", "include" or any similar expression shall be construed as illustrative and the words following any such word shall not limit the sense of the words preceding such words. References to the singular shall include the plural and vice versa. The headings in these Conditions are inserted for convenience only.

2 Supplier's Obligations and Warranties

2.1 The Supplier shall provide the Equipment in accordance with these Conditions. A Purchase Order will be deemed accepted under these terms upon receipt by the Supplier unless the Supplier otherwise notifies AAG within twenty-four (24) hours of receipt of such Purchase Order.

2.2 The Supplier warrants, represents and undertakes that:

- (a) the Equipment will comply with all relevant, applicable legislation from time to time in force, statutory requirements and all relevant standards issued from time to time by any applicable body, including, but not limited to any health and safety or environmental standards. The Supplier will inform AAG as soon as it becomes aware of any changes in legislation or statute requirement which affect any Equipment or Services ordered;
- (b) the Equipment will meet any performance criteria and conform in all respects with any Equipment Description or sample;
- (c) it owns, and is able to provide good title to AAG, or in the case of the Services and/or Programs as applicable is otherwise licensed to provide the Services and/or Equipment which it supplies pursuant to these Conditions;
- (d) all Equipment will be new, of satisfactory quality (in the sole view of AAG), and fit for its intended purpose;
- (e) any non-compliant Equipment may be rejected by AAG and returned to the Supplier at the Supplier's cost and the Supplier will immediately pay any claim from AAG for a full refund thereafter;
- (f) all Services, execution and delivery will be performed diligently, with all appropriate skill and care, to at least industry standard by appropriately trained, experienced and qualified personnel and, where applicable, will meet the agreed service and delivery levels and timings;
- (g) it will allocate sufficient resources to the performance of the Services and delivery of the Equipment as are necessary to enable it to comply with its obligations under these Conditions;
- (h) it will co-operate fully with AAG, its customers, agents and sub-contractors;
- (i) it will comply with AAG's standards and policies for suppliers (as may be notified to the Supplier from time to time by AAG).

2.3 Health and Safety

The Supplier shall be responsible for ensuring that any of its employees or other persons fulfilling the Purchase Order who enter AAG's or its customer's premises are suitably trained and licenced in the use and operation of the Equipment or delivery of the Service, are suitably clothed, issued with appropriate protective equipment, are duly warned of hazards which they may encounter on AAG's or its customer's premises, and that they adhere to all health and safety at work rules, regulations and any other reasonable security or other requirements that apply at any of AAG's or its customer's premises from time to time.

2.4 Security Checks

- (a) The Supplier shall comply with all security and related policies notified to it by AAG and shall promptly provide such information regarding its compliance as may be required by AAG.
- (b) The Supplier shall only use employees, agents or contractors ("Personnel") who are authorised to work for the duration of any Purchase Order in the country where the Product is being provided. The Supplier shall provide information evidencing such approvals, clearances and right to work at any time on request by AAG.
- (c) Where AAG and/or AAG's customer carries out security, immigration and/or work permit checks directly on the Personnel, the Supplier shall obtain demonstrable consent from such Personnel permitting release of their personal data for such purpose.

2.5 Business Continuity

The Supplier shall ensure that it has adequate security, business continuity and disaster recovery procedures in place to cope with the risk of major operational disruptions that may in any way effect the Supplier's delivery and performance of the Purchase Order.

3 Delivery of Equipment & Service

3.1 The Supplier shall, at its own expense, properly inspect the Equipment prior to delivery, and shall rectify any faults or shortfalls, shall package and secure where appropriate, and shall deliver the Equipment on the Delivery Date to the place specified in the Purchase Order (or such other location as may be subsequently requested by AAG).

3.2 The Supplier shall ensure that one copy of a delivery note stating the Purchase Order number accompanies the Equipment on delivery and that a copy with the recipient's signature is electronically sent to AAG as soon as practicable after delivery.

3.3 For Equipment delivered in instalments, the Purchase Order shall be construed as a single contract in respect of each instalment. However, where AAG has a right to reject any particular instalment, it may at its option either reject the entire Order or the instalment.

3.4 AAG and its customer (or their representatives) may verify at source that the Equipment conforms to the requirements of the Purchase Order. Such verification shall not absolve the Supplier from any of its responsibilities under these Conditions nor affect any right of AAG or its customer to reject the Equipment, nor shall it constitute evidence of effective quality control.

4 Delivery and Performance

4.1 The Equipment and/or the Services may not be delivered and/or performed (as applicable) earlier or later than the Delivery Date without AAG's permission, otherwise AAG may reject them.

4.2 Time shall be of the essence of these Conditions and of each Purchase Order in relation to the delivery and/or the performance (as applicable) of the Equipment and/or Services.

5 Title and Risk

5.1 Title and risk in the Equipment shall pass to AAG on the earlier of delivery to, or acceptance of the Equipment by, AAG, or payment for the Equipment.

5.2 Where AAG exercises its right to reject any Equipment pursuant to Clause 4, risk and title therein shall revert to the Supplier upon AAG notifying the Supplier that it wishes to exercise its right to reject the Equipment.

6 Licence

6.1 Where the Equipment or Services include Programs and software and/or where any Intellectual Property Rights subsist in the Equipment or Service, then, subject always to Clause 10.2, the Supplier hereby grants AAG an irrevocable, non-exclusive licence, with the authority to sell or grant sub-licences directly or indirectly to AAG's end-customers, to use and/or to permit third parties to use each copy of such Programs and/or software, and to make such other copies as are reasonably necessary to support such licensed use.

6.2 Where the Equipment and/or Services are created or modified for AAG, the Supplier hereby grants AAG a licence in the terms of Clause 6.1 above (save that such licence shall be exclusive) for the period commencing immediately upon such creation or modification until such time as all Intellectual Property Rights are fully and completely vested in AAG pursuant to Clause 10.2.

6.3 Where the Supplier grants AAG a periodic licence where fees are payable on a recurring basis, AAG shall have the right to terminate the licence in writing on not less than thirty (30) days' notice.

7 Remedies

7.1 The Supplier undertakes that:

- (a) in the case of any Equipment, if within the Warranty Period (or a reasonable time thereafter), AAG notifies the Supplier that any Equipment is in breach of warranty or the provisions of these Conditions then, at AAG's option;
 - (i) the Supplier will promptly repair or, replace, the Equipment so as to remedy the matter constituting the breach without any cost (including any transportation costs) to AAG; or
 - (ii) the Supplier will accept rejection and return of the Equipment by AAG, notwithstanding if any of the Equipment has been previously accepted by AAG or its customers, agents and sub-contractors and the Supplier shall immediately upon receipt of that Equipment return any payments made by AAG in respect of the Equipment, and shall release AAG from any further obligation to make payment to the Supplier for that Equipment. For the avoidance of doubt, risk and title in rejected Equipment shall immediately on rejection revert to the Supplier; or
 - (iii) it shall promptly reimburse to AAG any costs incurred by AAG in obtaining substitute goods from a third party and any claim for damages in respect of any additional costs, loss or expenses incurred by AAG which are in any way attributable to the Supplier's failure;
- (b) in the case of Services, if within the Warranty Period (or a reasonable time thereafter), AAG gives notice that the Services are in breach of warranty or the provisions of these Conditions, the Supplier shall re-perform the Services at no additional cost to AAG. Where the Supplier fails to provide such remedy within a reasonable time, AAG may source substitute services from a third party of AGG's choosing and the Supplier shall reimburse to AAG any costs incurred by AAG and any claim for damages in respect of any additional costs, loss or expenses incurred by AAG which are in any way attributable to the Supplier's failure; and
- (c) in any case, if during the Warranty Period any Equipment is in breach of warranty or otherwise in breach of these Conditions, AAG may, at its option, cancel the Purchase Order, at no cost or liability to AAG, and/or refuse to accept any further delivery and/or performance of that Equipment. The Supplier shall immediately refund any charges paid in advance by AAG in respect of the Equipment.

7.2 Without prejudice to AAG's rights under Clause 7.1, if during the Warranty Period or within two (2) years of its expiry, the Equipment develops any persistent defects, failures or non-conformities, the Supplier will, on AAG's request, review such defects, failures or non-conformities with AAG and indicate steps or recommendations which in the Supplier's reasonable judgement would remedy the same. The Supplier shall at its own cost remedy the defects, failures and non-conformities. Where the Supplier fails to provide such remedy within 30 days, AAG may remedy, or have remedied, the failure, defect or non-conformity at the Supplier's cost and to be paid by the Supplier immediately on demand of AAG and reject delivery of the Equipment until the failures, defects and non-conformities have been cured.

7.3 AAG's rights and remedies under Clause 7 are in addition to its other rights and remedies under these Conditions or at law.

8 Payment Terms

8.1 The Charges for the Equipment shall be stated in the Purchase Order and shall be exclusive of VAT or similar duty but inclusive of all other charges. Unless otherwise agreed by AAG and the Supplier in writing, AAG shall not be liable to make any payments to the Supplier other than the Charges.

8.2 Subject to Clauses 8.3, 8.4 and 8.5, AAG shall pay each undisputed invoice properly due, issued and submitted to it by the Supplier sixty (60) days after the date of receipt by AAG unless other payment terms are included in the Purchase Order.

8.3	The Supplier must be in possession of an approved Purchase Order before commencing any supply under these Conditions. The Supplier shall ensure that AAG's order number is referenced on any invoice sent to AAG and acknowledges that without such an approved order number, any invoice will be rejected.	(b)	independently developed by the Supplier or its Personnel.
8.4	All invoices must be submitted within three (3) months of delivery or performance (as applicable) of the Equipment and/or Services.	13.4	Neither the Supplier nor any person engaged by it (whether as an employee, servant, agent or sub-contractor) shall use the Confidential Information to compete with AAG.
8.5	All invoices must be sent to: ASSET ALLIANCE LEASING LIMITED Accounts Payable Department Edwin House Boundary Industrial Estate Stafford Road Wolverhampton WV10 7EL	14	Liability
8.6	Where all or part of an invoice is disputed: (a) the Supplier shall issue AAG with a credit note as soon as reasonably practicable and shall reissue an invoice in respect of the undisputed amount, which will be paid in accordance with Clause 8.2; and (b) upon resolution of the dispute, the Supplier may issue an invoice in respect of the amount that it has been resolved that AAG should pay, which AAG shall pay on the later (i) of thirty (30) days of receipt of the new invoice or (ii) the date on which the payment would otherwise have fallen due under Clause 8.2.	14.1	The Supplier's liability to AAG for any loss, damage, costs, claims or expenses suffered by AAG under or in connection with these Conditions, whether arising from a breach of contract, negligence or howsoever, shall be as follows: (a) in the case of breach of Clause 10 (<i>Indemnities</i>) and Clause 13 (<i>Confidentiality</i>) or liability arising from death or injury to persons as a result of any act or omission of the Supplier, or of any fraud on the part of the Supplier or of the acts, omissions or frauds of others for whom the Supplier is at law responsible, there shall be no limit; and (b) in respect of any other liability the Supplier's aggregate liability shall be the greater of (i) three (3) times the Charges paid or payable to it by AAG in the previous 12 month period, or (ii) £1,000,000.
8.7	AAG may set off against sums due to the Supplier, any sums due to it from the Supplier (without prejudice to any other rights or remedies it may have).	14.2	Notwithstanding any other provision of this Clause14, for the purposes of these Conditions, losses for which the Supplier assumes responsibility and which shall be recoverable by AAG, shall include, but shall not be limited to, the following: (a) monies paid by AAG to the Supplier; (b) the costs and expenses incurred by AAG in procuring and implementing alternative or replacement Equipment and/or Services including consultancy costs, the additional costs of management time and other personnel costs and other equipment and materials; (c) the costs and expenses incurred by AAG in contemplation of and pursuant to these Conditions to the extent that such costs and expenses are wasted if alternative or replacement services are procured; (d) the costs and expenses of reconstituting or reloading lost or corrupted data; or (e) losses incurred by AAG arising out of or in connection with any claim, demand, fine, penalty, action, investigation or proceeding by any third party against AAG caused by the act or omission of the Supplier, any sub-contractor of the Supplier, or any Supplier personnel.
9	Taxes, Import and Export	14.3	Where the Supplier sends its employees to AAG's and/or AAG's Customer's premises in connection with any Purchase Order then, notwithstanding any technical supervision exercised by AAG or any instructions issued by AAG, such employees shall remain the responsibility of the Supplier. It is an express condition of these Conditions and each Purchase Order that the Supplier effects, and maintains in force for the benefit of the Supplier and AAG, employer's liability insurance in respect of such employees. Further the Supplier shall effect, and maintain for the duration of any Purchase Order, such other insurance as is appropriate in the circumstances, taking into account industry practice, the availability of insurance in the market place and the risks and liabilities which it is accepting under these Conditions. The Supplier shall provide AAG with reasonable evidence of its compliance with this obligation when immediately on request by AAG to do so.
9.1	The Supplier: (a) is responsible for all taxes and duties that are due in respect of the Equipment, and for obtaining at its expense any import or export licence or government consents necessary in relation to the Equipment, including those required under any export regulations; and (b) shall inform AAG immediately if any Equipment is subject to import and export control restrictions; and (c) shall indemnify AAG against any and all claims, losses, liabilities, damages, costs (including legal costs) and expenses incurred by, or awarded against AAG as a result of the Supplier's breach of this clause 9.	14.4	The Supplier shall indemnify and hold harmless AAG against any loss of or damage to AAG, and/or to AAG's customers, caused by the Equipment and/or the Services, or by the act or default of the Supplier or any of its Personnel. All risk of loss or theft of or damage to any property of the Supplier (or of the Supplier's personnel) while at AAG's premises and/or AAG's Customer's premises for any reason whatsoever shall be, and shall remain, the sole risk and responsibility of the Supplier.
10	Indemnities	15	General Conditions
10.1	The Supplier shall indemnify and hold harmless AAG, its affiliates and its customers against any and all claims, liabilities, direct, indirect or consequential losses (including loss of profits, loss of business, depletion of goodwill and similar losses whether of a direct, indirect or consequential nature), costs and expenses (including legal costs) howsoever arising which AAG, its affiliates or its customers may incur or suffer as a result of: (a) any infringement, actual or alleged, whether or not under English law, of any Intellectual Property Rights resulting from the possession, use, licensing, sale or other use of the Equipment and/or Services; or (b) any claim made against AAG by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in the Equipment or Services, to the extent that such defects are attributable to the acts or omissions of the Supplier or its Personnel; or (c) the supply of the Equipment or Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance by the Supplier or its Personnel including but not limited to a failure by the Supplier to deliver and/or perform on the Delivery Date.	15.1	Force Majeure Neither party will be liable for delay in or for failure to perform its obligations if that delay or failure is caused by circumstances beyond the reasonable control of the party affected including, but not to an act of God, governmental act, war, fire, flood, explosion or civil commotion (a " Force Majeure Event ") provided that: (a) a claim for relief by the Supplier shall not be valid to the extent that a prudent supplier of Equipment and/or Services similar to the Equipment and/or Services provided pursuant to the Contract could have foreseen and/or prevented or avoided the Force Majeure Event; (b) the affected party's obligation to perform the relevant obligations under these Conditions shall (during the continuation of the Force Majeure Event) be read and construed as an obligation to perform such obligations to the best level reasonably achievable in the circumstances; (c) an inability to obtain sub-contracted Services or Equipment shall not constitute a Force Majeure Event except where no substitute is available; (d) industrial action, strikes and lock-outs by employees of the Supplier shall not constitute a Force Majeure Event unless affecting the relevant industry on a national basis; and (e) if the Supplier is prevented from performing its obligations under a Purchase Order by a Force Majeure Event which continues for more than seven (7) days, AAG may at its option terminate any affected Purchase Order without liability to the Supplier forthwith by giving notice.
10.2	Where the Supplier generates any Intellectual Property Rights in performing Services, or creating or customising Equipment to AAG's specification (including without limitation by the creation or customisation of a Equipment, Programs or marketing, technical or training material or the internal or external design of an article), all such Intellectual Property Rights shall, upon their creation, vest in AAG exclusively and in consideration of the Charges the Supplier hereby, by way of future assignment, with full title guarantee, assigns all such rights to AAG.	15.2	Assignment The Supplier may not assign, transfer or sub-contract any of its rights or obligations under these Conditions and the Contract in whole or in part without the prior written consent of AAG.. Delegation, whether authorised or not, shall not relieve the Supplier of any of its liability or obligations under these Conditions or the relevant Purchase Order.
11	Dispute Resolution	15.3	Notices
11.1	Any question, difference or dispute which may arise out of or in connection with these Conditions shall in the first instance be referred to the representatives of AAG and the Supplier nominated for discussion and resolution.	15.4	All notices hereunder shall be in writing addressed to the relevant party at its respective address set forth in the Purchase Order, or such other address as may be notified from time to time by either party to the other.
11.2	If the matter is not resolved within fourteen (14) days of such referral, the escalation will continue through one more level of management for a further fourteen (14) days. If the unresolved matter is having a serious effect on the delivery or performance of the relevant Equipment or Services, the parties will use best endeavours to minimise the escalation time.	15.5	Waiver No terms or conditions hereof shall be deemed waived and no breach or default excused unless such waiver or excuse shall be in writing and signed by the party issuing the same.
11.3	Neither party may initiate any legal action until the process has been completed, unless such party has reasonable cause to do so to avoid damage to its business or to protect or preserve any right of action it may have, including without limitation to seek injunctive relief in respect of any breach of its rights.	15.6	Variations No variation of these Conditions or the Contract, or of any of the documents referred to within them, shall be valid unless it is in writing and signed by or on behalf of both parties.
11.4	If the dispute is not resolved by escalation in accordance with Clause 11.1 above, the parties may seek to resolve disputes between them by an alternative dispute resolution technique.	15.7	Severance If any provision of these Conditions or the Contract is found by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of these Conditions and the Contract, which shall remain in full force and effect.
12	Termination	15.8	Survival The following clauses shall survive termination of these Conditions: Clauses 10 (<i>Indemnities</i>), 13(<i>Confidentiality</i>), 14(<i>Liability</i>), 15.3 (<i>Governing Law and Jurisdiction</i>).
12.1	If the Supplier: (a) being a company, has a petition presented for its liquidation or calls a meeting to propose a resolution for its liquidation or has a petition presented for the appointment of an administrator or has a receiver or administrative receiver appointed over it or any of its assets or makes any voluntary arrangement with its creditors; or (b) being an individual (or if a firm or partnership, any of its partners or members), has a petition presented for his/their bankruptcy, or has a receiver appointed over his/their affairs, or makes any voluntary arrangement with his creditors or (in the case of a firm or partnership) proposes or has presented against it a petition for its dissolution; then AAG may terminate any Purchase Order with immediate effect.	15.9	Relationship of Parties Nothing in these Conditions shall create a partnership or a fiduciary relationship or the relationship of employment between AAG and the Supplier. The Supplier shall not make any direct or indirect approach to AAG's Customers to provide services or Equipment the same as or similar to AAG's without AAG's prior written consent.
12.2	AAG reserves the right to cancel any Purchase Order for any reason and without cost or liability (save for any Equipment already delivered or performed) by giving the Supplier at least thirty (30) day's notice prior to the agreed time for delivery or performance.	15.10	Cumulative Remedies The rights and remedies of the parties under these Conditions are cumulative and without prejudice and in addition to any rights or remedies at law or in equity.
12.3	Upon termination of a Purchase Order for whatever reason, the Supplier shall: (a) reimburse any sums paid in advance by AAG for Equipment or Services ordered but not yet received as at the date of termination; (b) return any Confidential Information to AAG; (c) give AAG all reasonable assistance necessary to facilitate the orderly transfer of the Equipment and/or Services to an alternative supplier or service provider.	15.11	Governing Law and Jurisdiction The construction, validity and performance of these Conditions and all non-contractual obligations arising from or connected with these Conditions shall be governed by English law and, without prejudice to Clause 11 (<i>Dispute Resolution</i>), the parties submit to the exclusive jurisdiction of the English courts.
12.4	The exercise of rights of termination by AAG shall be without prejudice to any other rights or remedies available to it under these Conditions.		
12.5	Termination of a Purchase Order, however arising, shall not affect any of the parties' rights and remedies which have accrued as at termination.		
12.6	Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.		
13	Confidentiality		
13.1	The Supplier undertakes that it will take all necessary precautions to ensure that all Confidential Information is treated as confidential and that it (and any person employed or engaged by it) uses Confidential Information only for the purposes of performance of the relevant Purchase Order and shall not disclose any such Confidential Information to any third party without the prior written consent of AAG.		
13.2	The Supplier may disclose Confidential Information pursuant to a duty imposed by law or the requirements of a regulatory authority but only to the extent so required.		
13.3	Confidential Information shall not include, and the obligations contained in this Clause 13 shall not apply, in respect of information which was: (a) in the public domain at the time of disclosure;		