

Global Digital Systems Ltd (GDS)

Terms and Conditions of Purchase

The following constitute GDS's standard terms and conditions of purchase and apply to all purchase orders placed by GDS

1.Receipt of Orders

1.1 No goods or services are to be supplied except against GDS's Official Order.

1.2 Where possible GDS places all orders electronically. This will usually be by e-mail. Where this is not possible orders will be posted to the address of the supplier.

2.These Conditions

2.1 Subject to clause 2.3 below unless otherwise agreed in writing these conditions shall override any conditions or terms stipulated or referred to by the Supplier in his order or through negotiations with GDS. The submission of a set of alternative conditions, sales contract or other conditions will not override these conditions. Any written amendments must be agreed in writing by an authorised manager of GDS.

2.2 The acceptance of an order and/or delivery of goods/provision of services is deemed to be acceptance of these conditions.

2.3 For the avoidance of doubt where GDS enters into a formal written contract with the supplier for the supply of goods and or services, and where there is a conflict between the terms of that formal written contract and these conditions, the terms of the formal written contract shall apply.

3.Prices

3.1 All prices given are for goods/services delivered to the designated delivery point stated on this order and are fully inclusive of all charges.

4.Deliveries

4.1 Delivery notes must be forwarded with every delivery against this order. Every delivery note must quote GDS's purchase order number and must provide the full contact name, address and telephone number of the Supplier.

4.2 Delivery of goods must be to the delivery point specified in the Order and shall be the responsibility of the Supplier. Where assistance of any kind is required by the Supplier in offloading materials this must be notified in writing to GDS in advance.

4.3 If Supplier delivers Work after the Delivery Date, GDS may reject such Work.

4.4 Deliveries will only accepted Monday to Friday during the hours of 09.00 to 18.00, except Bank Holidays, or by prior arrangement.

5.Acceptance of Goods/Services

5.1 An authorised employee of GDS will sign for a given number of packages delivered at a specific time. Such a signature cannot be taken to mean acceptance of the quality or quantity of the goods

beyond the receipt of the designated number of boxes, even where the delivery note provided to GDS states that a signature signifies that goods have been received in a specific condition.

5.2 Inferior or defective goods or goods in excess of Order will be rejected by GDS. Goods not accepted for any reason remain the property of the Supplier at all times. A note of rejection with reasons will be sent to the Supplier requesting that the rejected goods be removed. Where no action is taken by the Supplier within 5 working days a reminder notice will be forwarded giving notice of a final date by which the goods must be removed. Following that date GDS reserve the right to dispose of the goods as they see fit.

6 Assignment and Subcontracting

6.1 The Supplier may not assign any of its rights or delegate any of its obligations under the Purchase Order without GDS's prior written consent, which GDS will not unreasonably withhold. GDS reserves the right to void any attempted assignment or delegation undertaken without GDS's prior written consent.

6.2 If GDS consents to the use of a Subcontractor, the Supplier will:

(i) guarantee and will remain liable for the performance of all subcontracted obligations; (ii) indemnify GDS for all damages and costs of any kind incurred by GDS caused by the acts and omissions of Supplier's Subcontractors' and (iii) make all payments to its Subcontractors. If the Supplier fails to pay a Subcontractor for work performed, GDS will have the right, but not the obligation, to pay the Subcontractor and offset any amount due to Supplier by any amount paid to the Subcontractor.

7. Quality

7.1 Where this purchase order includes or is for the supply of services or work the Supplier will provide the same only by appropriately qualified persons acting with due skill and care to complete the service or work with due diligence and in a good and workmanlike manner.

8. Payment

8.1 No payment shall be made by GDS unless the Supplier is in receipt of an Official Order.

8.2 The official order number must be quoted on the invoice and must be received in the month in which the delivery was made. If the order number is not quoted this may result in a delay in making payment for the goods or in the invoice being returned to the Supplier.

8.3 In the event that there is any appreciable delay in completing the order separate invoices must be rendered for each delivery. The Official Order number must be correctly quoted on all invoices. GDS is registered for VAT (reg. No. 335593441) and tax invoices are required from all VAT registered suppliers.

8.4 Payment will be made by BACS (transfers between bank accounts) at the end of the month following the month of receipt of the invoice. A remittance advice will be sent by e-mail.

8.5 GDS will normally pay its suppliers in sterling. Payments in other currencies will only be made via electronic bank transfer and must be agreed with GDS at the time of order.

9. Insurance

9.1 The Supplier shall indemnify GDS against all claims or demands whatsoever arising from or

incidental to the carrying out of any works, the supply of materials and/or the provision of services that are the subject of this order. The Supplier or contractor agrees to indemnify upon acceptance of this order.

9.2 The Supplier's insurance policies with current premium receipts shall if demanded be forwarded to and for the approval by GDS prior to the commencement of the works, the supply of materials, and/or the provision of material and/or the provision of services as appropriate.

10. Health & Safety

10.1 Suppliers are reminded that they must comply with all appropriate requirements of the health and safety legislation. In addition to complying with all relevant legislation, the Supplier must, whilst on GDS's premises or carrying out work for and on behalf of GDS, comply with GDS's health and safety policy and the relevant codes of practice and procedures made under it. The policy and codes/procedures are available for inspection from an authorised employee of GDS, however, the Supplier will be deemed to be aware of them when they start the work irrespective of whether they have inspected the same.

11. Bankruptcy

11.1 In the event of the Supplier being unable to complete the Order through bankruptcy, liquidation or receivership then the contract created by the Order shall automatically determine that GDS shall be treated by the Supplier as a preferential creditor.

12. GDS's Property

12.1 Materials, equipment, tools, dies, moulds, computer disks and other materials supplied by GDS to the Seller, or not so supplied but used by the Seller specifically in the manufacture of the Goods, will at all times be and remain the exclusive property of GDS. They must be held by the Seller in safe custody at its own risk, and maintained and kept in good condition by the Seller, until returned to GDS, and will not be disposed of other than in accordance with GDS's instructions; nor will such items be used otherwise than as authorised by GDS.

12.2 The Seller does not acquire under these Conditions any copyright, design rights or any other forms of intellectual property rights in any drawings, specifications and data supplied by GDS to the Seller.

13. Confidentiality

13.1 The Seller will not disclose or make use of information provided to the Seller by GDS (whether patentable or not) for purposes other than the execution of this Order without GDS's consent, except where such information is or becomes publicly available through no fault of the Seller.