

STANDARD CONDITIONS OF CONTRACT

With effect from 1st December 2008, all supplies by Orchid Distribution Ltd or any associated company will be in accordance with our current standard conditions of Contract.

1. PRELIMINARY

1.1 In these Conditions: "the Company" means Orchid Distribution or any Associated Company "the Contract" means the Contract between the Company and the Customer for the sale or supply of equipment "the Customer" means the person, firm or company with whom the Contract is made by the Company "the Equipment" means any equipment, machinery, parts, spares, software and any other goods sold or supplied by the Company "the Warranty Period" means (i) in the case of hardware a period of thirteen months from the date of delivery or the balance of a warranty period provided to the Company by the manufacturer if greater or (ii) in any other case a period of ninety days from the date of delivery

1.2 THESE Conditions apply to all Contracts of the Company to sell or supply equipment and shall prevail over any terms put forward by the Customer unless the Company expressly agrees to them in writing. No conduct by the Company shall be deemed to constitute acceptance of any terms put forward by the Customer and no concession made or latitude allowed by the Company to the Customer shall effect the strict rights of the Company under the Contract.

1.3 THESE Conditions may only be varied with the express written agreement of the Company.
2. PRICES
2.1 UNLESS otherwise specified prices payable for the Equipment are exclusive of carriage and are subject to the Company's right to require payment of delivery charges, insurance costs, customs duties, special handling charges and/or packaging charges as appropriate.
2.2 THE Company shall have the right at any time to revise prices to take into account increases in costs including (without limitation) costs of agreed changes in any taxes, duties, levies or exchange rates or costs arising as a result of site conditions, delays, interruptions, lack of information and any other factor beyond the Company's control.

3. ORDERS AND DELIVERY
3.1 Before acting upon an order or agreement Orchid Distribution may require the Customer to confirm the same in writing or by facsimile. If an order placed or agreed is not so confirmed, then Orchid Distribution does not have to act upon it or supply the Equipment ordered.
3.2 THE Customer shall state on placing an order if he requires the Company to arrange carriage and if so the delivery address. If the Customer so requests the Company shall be entitled to make any contract of carriage and/or insurance on behalf of the Customer as the Company considers necessary and will be under no obligation to notify the Customer thereof. The Customer will be responsible for complying with all conditions and requirements of the carriers. Unless otherwise agreed by the Company delivery of the Equipment will be ex-works.
3.3 ALL times or dates given for delivery of the Equipment are only estimates given in good faith and are not conditions, warranties or in nominate terms (or terms otherwise however), of this or any other (whether collateral or otherwise) contract.

3.4 THE Customer shall give the Customer notice when the Equipment is ready for delivery. If the Customer refuses or fails to arrange collection or take delivery of the case may be) of Equipment ordered within seven days of service of that notice then (a) the Customer will bear the risk off any loss or damage to the Equipment after expiry of that time (b) the Company shall be entitled to immediate payment in full for the Equipment which is the subject of the order and (c) the Customer shall in addition to the invoice price pay all costs of storage and any additional costs incurred as a result of such refusal or failure. The Company shall not be liable to the Customer for any loss or damage to the Equipment caused by their storage.
3.5 THE Company may make and the Customer shall accept partial deliveries of Equipment ordered. Each delivery shall be considered to be the subject of a separate Contract and failure by the Company to make any one or more deliveries in accordance with the Contract or any claim by the Customer in respect of any one or more deliveries shall not entitle the Customer to treat the Contract as a whole repudiated.

4. ACCEPTANCE
4.1 THE Customer will accept the Equipment even if it is delivered late and late delivery will not entitle the Customer to terminate the Contract.
4.2 THE Customer shall inspect the Equipment as soon after delivery as is reasonably practicable and in any event within 3 working days after delivery, which period the customer agrees is a reasonable period given the nature of the Equipment supplied by the Company.
4.3 THE Customer will notify the Company in writing of any shortage of supply, deficiency, or damage to or fault with the Equipment within 3 working days of delivery. If the Customer fails to comply with this clause the Company shall not be liable to the customer in respect of any shortage discrepancy, damage or fault, or in respect of any consequential losses or expenses arising there from.
4.4 THE Customer hereby agrees that the retention of the Equipment without written complaint to the Company within 3 working days of delivery constitutes for all purposes an intimation by the Customer that the Equipment has been unconditionally accepted and that given the nature of the Equipment supplied by the Company, 3 working days constitutes a reasonable period within which the Equipment should be rejected.
4.5 EACH of the preceding sub-clauses of this clause is entirely without prejudice to the provisions of clause 9 hereof.

5. RISK
5.1 Risk of damage to or loss of Products shall pass to the customer at the time of delivery or if the Customer unjustifiably fails to take delivery of Products the time when Orchid Distribution has tendered delivery of the Products.
5.2 Notwithstanding delivery and the passing of risk of the Products or any other provisions of these Conditions the property in the Products shall not pass to the Customer until Orchid Distribution has received in cash or cleared funds Payment in full of the price of the Products and all other Products and Services previously sold or supplied by Orchid Distribution to the Customer for which payment is then due.

5.3 Until such time as the property in the Products passes to the Customer the Customer shall hold the products as Orchid Distribution's fiduciary agent and bailee and shall keep the Products separate to those of the Customer and third parties and properly stored protected and insured and identified as Orchid Distribution's property.
5.4 Until such time as the property in the Products passes to the Customer (and provided the Products are still in existence and have not been resold) Orchid Distribution shall be entitled at any time to require the Customer to deliver up the Products to Orchid Distribution and if the Customer fails to do so forthwith to enter upon any premises of the Customer or any third party where the Products are stored and repossess the Products.

6. PAYMENT
6.1 Payment shall be made in full without any deduction or set-off at the time of placing the order for the Equipment.
6.2 If any cheque presented in payment of an invoice by the Customer shall be returned unpaid by the Customers bank or if any agreed standing order or direct debit arrangement shall fail to operate then the Customer shall in addition to all other sums payable under the Contract pay to the Company the sum of £24.99 for each such event or such greater sum as shall represent the cost incurred by the Company by reason of such dishonour or failure as aforesaid.
6.3 For the avoidance of doubt, the Company may maintain an action for the price once the due date for payment has arisen, notwithstanding the fact that title has yet to pass to the Customer.

7. SPECIFICATION AND PERFORMANCE
7.1 ALL drawings specification and technical documents issued by the Company at any time in relation to the Contract are issued solely for the Customer's use in connection with the Equipment and shall not be copied reproduced or communicated to any third party without the Company's express written agreement.
7.2 THE Company reserves the right to alter or depart from any specification or design of any Equipment sold provided that such alteration or departure shall not to a material extent adversely affect the performance of the Equipment or the quality of the workmanship or the materials used.
7.3 UNLESS otherwise expressly agreed in writing any performance figures, quoted or referred to in any specification or other document are estimates only based on assumed conditions in a well managed office with experienced adequate and efficient operatives and appropriate services and proper use of satisfactory materials.

8. WARRANTY
8.1 THE Company will make good by repair or exchange (at its option) such of the Equipment or part thereof which is shown to its reasonable satisfaction to have proved defective in materials or workmanship during the Warranty Period on the following terms:
8.1.1 any defect in or failure of the Equipment must be notified to the Company in writing as soon as practicable and in any event no later than three working days after discovery.
8.1.2 The Equipment must be unmodified, have been properly used under normal working conditions and have been properly stored, installed and maintained.
8.1.3 Before returning the Equipment or any part thereof the Customer must obtain a return authorisation number from the Company and details of the Company's returns procedure which must be fully complied with.

8.1.4 Equipment or part to be returned must be delivered to the Company's premises in its original packaging together with supporting documentation showing full description of the alleged fault and quoting the relevant returns number. In the event that the Customer fails to comply with this requirement then the Company will be entitled to charge a 15% minimum handling fee upon authorised return of the Equipment.
8.1.5 All delivery charges for carriage to and from the Company's premises must be paid by the Customer.
8.1.6 Where parts only are returned the Company shall not be responsible for installing any such part after repair or exchange.
8.1.7 The Company may elect to carry out any repairs at the premises of the Customer and if so electing then the Customer shall provide the Company's

employees or agents with free access to the place of installation and free access to any service or facilities that may be required to repair the Equipment.
8.1.8 If it so elects the Company may require the Customer to return the Equipment or part thereof to the manufacturer for repair or exchange in which case such repair or exchange on the part of the manufacturer shall satisfy the Company's obligations under this clause 9.
8.1.9 The foregoing warranty shall only apply to any replacement Equipment or parts thereof supplied by the Company under this warranty for the balance of the warranty period applicable to the Equipment sold.
8.1.10 The benefit of this warranty cannot be assigned on by the Customer to a third party until the Equipment to which it relates has been paid for by the customer. Nor can the benefit of this warranty be assigned by the Customer to a third party in relation to Equipment that is sold on under a sale, appropriation or delivery effected in breach of the license provided for by clauses 7.5 and 7.6 above.

8.2 THE Company gives no undertaking that the Equipment is fit for any particular purpose (including any purpose for which such Equipment is commonly supplied) or is of any particular quality in respect of its appearance, finish, safety, durability or freedom from defects or otherwise. The Customer, having greater knowledge of his own requirements, relies entirely on his own skill and judgement in evaluating whether the Equipment is in every respect of satisfactory quality.
8.3 SUBJECT to the foregoing all conditions, terms and representations, express or implied by statute, common law, custom or usage in relation to the Equipment are hereby excluded and the Company shall be under no liability to the Customer for any loss, damage or injury, direct or indirect, resulting from defective material, faulty workmanship or otherwise howsoever arising and whether or not caused by the negligence of the Company, its employees or agents.

8.4 In no event shall the Company be under any liability whatsoever and howsoever arising for any loss of use or loss of profits, interruption of business or any other indirect special or consequential loss of any type arising or alleged to have arisen out of any act or default, whether negligent or otherwise, of the Company in respect of the Company's obligations under the contract
8.5 I, the Customer deals as a consumer as defined in S.12 of the Unfair Contracts Terms Act 1977 the above provisions shall not apply and the Customer's statutory rights under the Sale of Goods Act will be unaffected.
8.6 The Company does not exclude liability for death or personal injury to the extent that it is caused by the negligence of the Company, its employees or agents nor for breach of any of the undertakings as to title implied into the Contract by S.12 of the Sale of Goods Act 1979.

9. PROGRAM LICENSES
9.1 THE Customer acknowledges that all copyright and other rights in any program sold by the Company remain the property of the Licensor or Suppliers of the program and that neither the Customer nor any Third Party to whom the Customer supplies or transfers the program has any rights therein except as expressly licensed by the Licensor or supplier of the program.
9.2 THE Customer may not, except as expressly licensed by the Licensor or Supplier of the program:
i. Reproduce or translate any program or part of a program
ii. Sell, rent, lease or otherwise part with possession or control of a program to another party.

9.3 THE Customer agrees to ensure that all programs supplied by the Company are used by any Third Party to whom the Customer transfers the program only as expressly licensed by the Licensor or Supplier of the program.
9.4 Upon any supply or transfer of the program by the Customer to any Third Party the Customer agrees to transfer to the Third Party clauses 10.1-10.3 of these conditions and thereby bind the Third Party to the same.

10. REPRESENTATIONS
10.1 THE Customer shall incur no liability to the Customer for misrepresentation by virtue of any statement made by or on behalf of the Company prior to the Contract whether orally or in any letter document or sales literature and the Customer shall not be entitled to rescind the Contract on the grounds of any such misrepresentation.

11. RETURNS
11.1 THE Company shall be under no obligation to accept return of any Equipment other than as provided in clause 10. If notwithstanding the Company shall in any particular case agree to accept return of Equipment which is not defective then it shall only do so on terms that:
(a) The Customer shall pay a sum in respect of the costs so incurred by the Company equal to twenty-five percent of the full invoice price, (Subject to a minimum charge of £30
(b) The Customer shall obtain a returns authorisation number from the Company and comply with the Company's returns procedure and (c) The Equipment must be delivered to the Company's premises in its original packaging.

12. TELECOMMUNICATIONS EQUIPMENT
12.1 WHEN the Equipment supplied by the Company is to be used in conjunction with British Telecom lines or apparatus then the following additional conditions shall apply:
12.1.1 British Telecom shall have the right to require modifications to be carried out to Equipment which is already installed and in use. Any modifications required will be carried out at the Customers expense.
12.1.2 In no event shall the Company be liable for damage, loss or injury to British Telecom equipment or personnel in connection with or arising out of the Customers act or neglect.

13. FORCE MAJURE: THE Company shall not be liable for any delay or failure in performance of its obligations under the Contract which is due to or results from any circumstances beyond its reasonable control including but not limited to delays or defaults of suppliers, or the defaults of any sub-contractor, war, strike, lock-out, trade dispute, flood, accident to plant or machinery, shortage of materials or labour. In any such event the Company shall be entitled to delay or cancel delivery of the Equipment. If due to any such event the Company has insufficient stocks to meet all its commitments the Company may appropriate available stocks between its customers at its sole discretion.

14. CANCELLATION
14.1 No Contract or order may be cancelled without the Company's written consent. In the event that cancellation is agreed for whatever reason the Customer shall indemnify the Company against all costs, claims, loss and expense occasioned thereby including any consequential loss and loss of profits.
15. EXPORT
15.1 If under this Contract the Goods are to be exported out of England and/or Wales by the Company to the Customer or its order, the following shall apply:
15.1.1 Clause 9.1 (and all sub-clauses of clause 9.1) hereof shall not apply. The Goods are sold with the manufacturer's warranty (if any is provided) only. Subject to its absolute discretion as to how to do so the Company will use its best endeavours, if requested to do so by the Customer, to ensure that the Customers rights against the manufacturer under any such warranty are satisfied.

15.2 It is a condition of this Contract that the Customer enters this Contract as principal and not as agent for any other person or party. The Customer by entering this Contract agrees and represents that it does so as principal and not as an agent.
15.3 If as a result of any non-payment or any other breach of this Contract by the Customer the Company takes any steps, action or proceedings howsoever to obtain payment or to enforce its rights hereunder, the Customer shall be obliged fully to indemnify the Company in respect of any costs (which, if proceedings are issued, shall be paid by the Customer on the indemnity basis) or expenses or liabilities thereby suffered or incurred by the Company.
16. GENERAL

16.1 If at any time one or more of the above Conditions becomes in whole or in part void, invalid or un-enforceable then the remainder of these Conditions shall nevertheless remain valid and enforceable.
16.2 ALL notices hereunder shall be in writing and shall be given by hand or sent by prepaid first class post facsimile or telex to the party concerned at its last known address. Notices sent by first class post shall be deemed (in the absence of earlier receipt) to have been delivered forty-eight hours after despatch and notices sent by facsimile or telex shall be deemed to have been delivered on the first working day following the date of their dispatch.
16.3 THE construction, performance and validity of the Contract and of these Conditions shall in all respects be governed by the laws of England and the parties to this Contract hereby submit to the exclusive Jurisdiction of the Courts of England and Wales.
16.4 ASSOCIATED Company shall mean Orchid Distribution Ltd or any subsidiary thereof (unless otherwise expressly defined) and 'subsidiary' having the meaning as defined by section 736 of the Companies Act 1985.

16.5 These terms may not be varied unless such variation shall have been expressly agreed in writing by a duly authorised representative of the Company.
16.6 No delay or omission on the part of the Company in exercising any right, power or remedy provided by law or under this agreement shall:
(1) Impair such right, power or remedy; or
(2) Operate as a waiver thereof.

16.7 The single or partial exercise of any right, power or remedy provided by law or under these terms shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy.
16.8 THE rights, powers and remedies provided in this agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.
16.9 Waiver by the Company of the performance of an obligation on one or more occasions will not amount to waiver of that obligation on any other occasion.
17 We reserve the right to use a licensed credit referencing agency and a search may be recorded on file.

-END-

The Customer hereby confirms that they understand and accept that telephone calls to and from the company may be recorded. The Customer hereby confirms that they understand and accept that all invoices will be sent by email.

Authorisation, Under-taking & Acceptance. I/We request a trade credit account and accept and acknowledge that the granting of interest free credit for the period of our normal trade terms by Orchid Distribution Ltd (or any of it's associated companies) of credit is of commercial value to the Customer hereby applying for it, and that this credit is subject to compliance with the above terms & conditions. In consideration of such credit, I hereby personally undertake and warrant to Orchid Distribution and its associated companies that: The Customer will not place orders with Orchid Distribution or its associated companies at any time that the Customer may be unable to pay for them or is unable to pay its debts as they fall due, nor will the Customer, at any such time, dispose of Equipment title in which remains in Orchid Distribution (or in any of its associated companies). The Customer will disclose to Orchid Distribution all material information relevant to its granting of credit, and will promptly notify Orchid Distribution in writing of any material adverse change in the Customer's financial position or trading prospects from that previously notified to Orchid Distribution. I confirm that the information provided in this Trade Application Form is true. By completing this Trade Application Form I agree that the information contained therein shall be deemed to apply to all our trade accounts with Orchid Distribution Ltd and its associated companies, or divisions.

I confirm that I am authorised to sign this application and as owner/director agree to and accept the Standard Conditions of Orchid Distribution Ltd and associated companies as set out in this Trade Application Form which includes a retention of title clause in that all Equipment shall remain the property of Orchid Distribution Ltd until payment is made in full for all sums due under all contracts.

Signed.....

Position.....

Print Name.....

Company.....

Date.....

To be signed by a Director or Proprietor

To speed up your application, please email this form back to application@orchid-distribution.com, and also post this hardcopy to Orchid Distribution Ltd, Orchid House, Upper Zoar Street, Wolverhampton, WV3 0LA