



TERMS AND CONDITIONS

1. Interpretation 1.1. For the purposes of these Terms and Conditions of Sale and Supply ("Conditions"): "Buyer" means the person, firm or company which places an order for Purchase of Products and/or Services as identified in any such order or Proposal. "Conditions" means these terms and conditions of sale and supply as from time to time varied by Supplier. "Contract" means the agreement between the Supplier and the Buyer arising as a result of the Buyer's submission of an order for the Supplier's Products and Supplier's written acceptance and/or, in the case of Services, an agreement between such parties for the provision of Services by Supplier, as constituted by a Proposal. Such Contract shall be deemed to incorporate and be governed by these Conditions. "Products" means goods supplied as agreed to be supplied by the Supplier to the Buyer under any Contract including, where applicable, any Software. "Proposal" means a proposal document signed by the Supplier and the Buyer describing Services to be provided to or for the Buyer, subject to these Conditions. "Services" means any services which the Supplier has agreed to provide to or for the Buyer under Contract, as more fully described in the relevant Proposal. "Supplier" means Online Safety Services (OSSUK) Ltd or any of its affiliates as named in any quotation or Proposal.

2. Basis of Sale: THESE CONDITIONS SHALL TAKE PRECEDENCE OVER ANY TERMS AND CONDITION WHICH APPEAR IN THE BUYER'S ORDER OR IN ANY DOCUMENTS INCORPORATED BY REFERENCE IN THE BUYER'S ORDER. No term or condition of the Buyer's order additional to or different from these Conditions shall become part of any Contract unless explicitly agreed to in writing by the Supplier. Retention by Buyer of any Products delivered by the Supplier, receipt by the Buyer of any Services performed by the Supplier or payment by the Buyer of any invoice rendered hereunder, shall be conclusively deemed acceptance of these Conditions. The Supplier's failure to object to any provision contained in any communication from the Buyer shall not be construed as a waiver of these Conditions nor as an acceptance of any such provision.

3. Quotations: Prices, specifications and delivery dates referenced in the Supplier's quotations are for information only and shall not be binding on the Supplier until all technical requirements have been agreed and the Supplier has accepted the Buyer's order. Quotations terminate if the Buyer does not place an order with the Supplier within 30 days.

4. Orders: By submitting an order to the Supplier, the Buyer agrees to be subject to these Conditions in their entirety. All orders must be bona fide commitments showing definite prices and quantities and mutually agreed shipping dates. No order, whether not submitted in a response to a quotation by the Supplier, shall be binding upon the Supplier until accepted in writing by the Supplier.

5. Prices and Taxes: The prices for Products shall be the price quoted by the Supplier to the Buyer, and the fee for Services shall be the fee agreed in the Proposal, or, in either case, as otherwise agreed between the parties in writing. Prices and fees do not include taxes, transport charges, insurance and export and/or import charges or duties including without limitation sales, value added tax, use or excise taxes, applicable to the Products sold and/or Services supplied under any Contract, which taxes and other charges shall be paid by the Buyer unless the Buyer provides the Supplier with any necessary tax exemption certificate. Unless otherwise agreed in writing, the Buyer shall be liable to pay the Supplier's charges for transport packaging, insurance and export and/or import clearance.

6. Shipment and Delivery: 6.1 The Supplier shall deliver or arrange for delivery as agreed between Supplier and Buyer and in accordance with Incoterms 2000. Any dates quoted by the Supplier for delivery of Products are approximate only and the Supplier shall not be liable for any delay in delivery of Products howsoever caused and time for delivery is not of the essence. 6.2 The Supplier reserves the right to make delivery of Products by instalments and to tender a separate invoice of each instalment. When delivery is to be by instalments or the Supplier exercises its right to deliver by instalments or if there is a delay in delivery of any one or more instalments for whatever reason the Buyer shall not be entitled to treat the Contract as a whole as repudiated.

7. Risk and Passing of Title: 7.1 Risk of loss and damage to the Products shall pass to the Buyer when the Products are delivered to or collected by the Buyer or its Agents in accordance with Section 6. Buyer must provide own insurance. Any claims of loss, damage or mis-delivery shall be filed with the carrier and notified to the Supplier within 5 days of the date of delivery. Products shall be deemed finally inspected and accepted within ten working days after delivery unless notice of rejection is given to the Supplier within such period. Acceptance shall constitute acknowledgment of full performance by the Supplier of all obligations under the Contract except as stated in Section 11. 7.2 Notwithstanding risk in the Products passing in accordance with Clause 7.1 hereof title in the Products shall not pass to the Buyer until payment is received in full by the Supplier for the products and no other amounts remain outstanding from Buyer to Supplier in respect of other products by Supplier. 7.3 Until title of the Products passes: - Buyer will hold the products as fiduciary agent and Bailee for Supplier and the products shall be kept separate and distinct from all other property of Buyer and of third parties and in good and substantial repair and condition and be stored in such a way as to be clearly identifiable as belonging to the Supplier. Buyer shall ensure that the Products are not subject to any mortgage, charge, lien or any other security interest of any kind however created or arising. 7.4 Supplier shall at any time be entitled to appropriate any payment made by Buyer in respect of any products in settlement of such invoices or accounts in respect of such Products as Supplier may in its absolute discretion think fit notwithstanding any purported appropriation by Buyer. 7.5 Until such times as the title in the Products has passed to Buyer, Supplier has the right to withhold delivery if the Buyer (being a Company) has a petition presented for its winding-up or passes a resolution of voluntary winding-up otherwise for the purpose of a bona fide amalgamation or reconstruction or compounds with its creditors or has a receiver appointed of all or any part of its assets or (being an Individual) becomes bankrupt or insolvent or enters into any arrangements with creditors or takes or suffers any similar action in consequence of debts or carries out or undergoes any analogous act or proceedings under foreign law. 7.6 For the avoidance of doubt it is hereby declared that nothing in this clause shall affect the rights given to the Supplier by Sections 38-48 of the Sale of Goods Act, 1979.

8. Services: 8.1 The Supplier shall provide Services in accordance with these Conditions and the terms of the relevant Proposal. 8.2 The Buyer shall, upon the Supplier's reasonable request and otherwise as requires, provide the Supplier with all the necessary information and materials to enable the Supplier to provide Services in accordance with the terms of any relevant contract. The Buyer will be responsible for the completeness and accuracy of all such information and materials provided and will ensure that it is and remains entitled to provide the same to the Supplier for use in connection with provision and Services.

9 Terms of Payment: 9.1 Each shipment of Products shall be a separate transaction and the Buyer will be invoiced on delivery. The Supplier shall be entitled to invoice the Buyer, in respect of Services, monthly in advance. Unless otherwise stated on Supplier's invoice, terms of payment shall be Net Thirty (30) Days from date of invoice. 9.2 All amounts due under a Contract shall be paid in full by the Buyer without deduction, withholding, set-off or counterclaim for any reason whatsoever, whether arising in Contract, tort (including negligence), breach of statutory duty or otherwise, save as may be required as law. 9.3 The Supplier may, in its sole discretion, determine at any time of the Buyer's financial condition requires full or partial payment in advance or the provision of security for payment by the Buyer in a form satisfactory to the Supplier. 9.4 If the Buyer fails to make any payment when due then, without prejudice to any other rights and remedies available to the Supplier, if the Supplier shall (as its option) be entitled: (i) to treat the Contract as repudiated by the Buyer, to suspend or cancel further delivery of Products and/or the provision of Services or any part thereof under that Contract or any other Contract between them and claim damages and/or receive reasonable cancellation fees; (ii) to affirm the Contract and claim damages from the Buyer; and (iii) to recover, in addition to the payment, interest on the unpaid amount (both before and after judgement) at the rate of 4% per annum above the NatWest PLC prevailing base lending rate from time to time, until payment in full is made. Such interest shall be calculated daily.

10 Products: 10.1 The Supplier may modify specifications provided the modifications do not adversely affect the performance of the Products. In addition, the Supplier may furnish suitable substitutes for materials unobtainable because of priorities or regulations established by government authority, or non-availability of materials from its suppliers. 10.2 All descriptions, illustrations and other information relating to the Products contained in the Supplier's catalogues, brochures, price lists, advertising material and any sales or other particulars or literature are made by the way of general description, are approximate only and for the general guidance and information of the Buyer. They shall not contribute warranties or responsibility by the Supplier nor shall they form part of any Contract.

11 Warranties: 11.1 The Supplier warrants that all Products shall be free from defects in material and workmanship under normal use for a period of one year from delivery to the Buyer save that the Supplier does not warrant that the operation of Software (defined in Clause 13) will be uninterrupted or error-free or that all program errors will be corrected. The Buyer shall be responsible for determining that the Product is suitable for the Buyer's use and that such use complies with any applicable law. 11.2 The Supplier warrants that it shall perform the Services substantially in accordance with the Proposal and with reasonable skill and care. 11.3 Provided that the Buyer notifies the Supplier in writing of any claimed defect in the Product immediately upon discovery and any such Products returned at the Buyer's risk to the Supplier, transportation charges prepaid, within one year from the date of delivery and upon examination the Supplier determines to its satisfaction, after a reasonable period to inspect such Products, that such Product is defective in material or workmanship, the Supplier shall, at its option, repair or replace the Products, shipment to the Buyer prepaid. 11.4 The Supplier shall have a reasonable time to make such repairs or to replace such Product. Any repair or replacement of Products shall not extend the period of warranty. This warranty is limited to a period of one year, without regard to whether any claimed defects were discoverable or latent on delivery. 11.5 Services which do not conform with the warranty under Section 11.2 and which are notified to the Supplier within 10 days of the Buyer becoming aware of the same, and in any event no later than 2 months after the date on which the Services were performed, shall, if the Supplier agrees they were non-conforming, be re-performed as soon as reasonably practicable after the Suppliers receipt of notice of the non-conforming Services. If the Supplier fails to rectify any deficient performance of the Services, the Buyer's sole remedy shall be reimbursement of that portion of the fees attributable to the Services concerned. 11.6 The Supplier shall not be liable for the breach of warranty in respect of Products supplied if: (i) the Buyer makes further use of such Products after giving the notice required in Section 11.3; (ii) the defect or failure arises from the Buyer's own fault; (iii) the defect arises from any drawing, design or specification supplied by the Buyer or from other materials or other property supplied by the Buyer or from any parts or items that have not been completely manufactured by the Supplier; (iv) the defect arises other than out of manufacture including without limitation, circumstances of accident, misuse, unforeseeable use, neglect, alteration, improper installation, improper adjustment, improper repair or improper testing; (v) the defect arises out of the use of the Products in conjunction with Products or materials not reasonably contemplated by the Supplier; (vi) the failure or defect results from the Buyer's unauthorised addition to or modification of, or failure to comply with the Supplier's written instructions relating to the Products or Services; and (vii) the failure or defect arises out of any breach by the Buyer of its obligations to provide information to the Supplier under this Agreement. 11.7 If the Buyer fails to pay when due any portion of any payment due from the Buyer to the Supplier under a Contract or otherwise, all warranties and remedies granted under this section may, at the Supplier's option, be terminated. 11.8 The foregoing warranties are exclusive and in lieu of all other warranties, terms and conditions, express or implied by statute, common law or otherwise, to the extent permitted by law, including without limitation warranties of quality or fitness for a particular purpose. The Supplier's sole and exclusive liability, and the Buyer's sole and exclusive remedy, for breach of warranties in the Section 11 shall be as set forth in Subsection 11.3 and 11.5 hereof.

12 Liability 12.1 Nothing in these Conditions shall exclude or limit the Supplier's liability for (i) fraud; (ii) death or personal injury caused by its negligence (including negligence as defined in s.1 Unfair Contract Terms Act 1977); (iii) breach of terms regarding title implied under the Sale of Goods Act 1979 and/or Supply of Goods and Services Act, 1982, or; (iv) any other liability to the extent that the same may not be excluded or limited as a

matter of law. 12.2 The Supplier shall be liable to the Buyer for loss of or damage to the physical property of the Buyer caused by its negligence up to £10,000 in respect of any event or series of connected events. For the avoidance of doubt, neither damage nor loss or corruption of data shall constitute loss of or damage to physical property. 12.3 Subject to Section 12.1 and 12.2 in relation to Products the Supplier's maximum aggregate liability under or in connection with the supply, non-supply or purported supply of Products under any Contract, whether arising in Contract, tort (including negligence) or otherwise, shall in no event exceed 125% of the total amount payable by the Buyer in respect of the Products under that Contract. 12.4 Subject to Section 12.1 and 12.2 in relation to Products the Supplier's maximum aggregate liability under or in connection with the supply, non-supply or purported supply of Services under any Contract whether arising in Contract, tort (including negligence) or otherwise, shall in no event exceed 125% of the total amount payable by the Buyer in respect of Services under that Contract, and in respect of Services continuing beyond one year shall, in no event, exceed in any year 125% of the total amount payable by the Buyer in respect of Services in that year. 12.5 Subject to Section 12.1, the Supplier shall be under no liability to the Buyer for any loss of profit, loss of income, loss of use, loss of business, loss of revenue, loss of goodwill, or for any indirect or consequential loss or damage of any kind, in each case howsoever arising, whether such loss or damage was foreseeable or in the contemplation of the parties and whether arising in tort (including negligence), contract or otherwise. 12.6 Any claim arising out of or in connection with a Contract must be commenced against the Supplier within three years of; (i) delivery of the Products, or (ii) provision of the Services (as applicable), giving rise to the claim, and Supplier shall have no liability to the Buyer under or in connection with any claim commenced after such time.

13 Software 13.1 The Supplier shall at all times have and retain title and full ownership of all software, firmware, programming routines, and documentation relating to such software supplied by the Supplier for use with the Products, and of all copies made by the Buyer (collectively "Software") and grants the Buyer a non-exclusive and non-transferable license to use such Software solely for use with the Products.

14 Intellectual Property Rights: 14.1 Notwithstanding delivery of and the passing of title in any Products and subject to Section 13 and 14.3, nothing in these Conditions or any Contract shall have the effect of granting or transferring to, or vesting in, the Buyer any intellectual property rights in or to any Products and/or Services. 14.2 Buyer acknowledges and agrees that all property, copyright and other intellectual property rights in any work or tangible deliverable item arising from or created, produced or developed by the Supplier under or in the course of provision of any Services (the "Works"), wherever in the world enforceable, including without limitations all right title and interest in and to the Services and all documents, data, drawings, specifications, articles, sketches, drawings, reports, inventions, improvements, modifications, discoveries, tools, scripts and other items relating thereto shall immediately upon creation or performance vest in and shall be and remain the sole and exclusive property of the Supplier and the Buyer shall acquire no right, title or interest in or to the same except as expressly stated in these Conditions. 14.3 The Supplier grants to the Buyer a non-exclusive, non-transferable license to use such of the Works as are necessary, and to the extent necessary, for the Buyer to obtain and utilise the intended benefit of Services. 14.4 If any claim is made against the Buyer that the Products or Services infringe the patent, copyright of other rights subsisting in the UK of any third party, the Supplier shall indemnify the Buyer against all losses, damages, costs and expenses awarded against, or incurred by, the Buyer in connection with the claim or paid, or agreed to be paid, by the Buyer in settlement of the claim provided that: (i) the Supplier is given full control of any proceedings or negotiations in connection with any such claim; (ii) the Buyer shall give the Supplier all reasonable assistance for the purposes of any such proceedings or negotiations; (iii) except pursuant to a final award, the Buyer shall not pay or accept any such claim, or compromise any such proceedings without the consent of the Supplier; (iv) the Buyer shall do nothing which would or might vitiate any insurance policy or cover which the Buyer may have in relation to such infringement and shall use its best endeavours to recover any sums due thereunder and this indemnity shall not apply to the extent that the Buyer recovers any sums under any such policy or cover; (v) the Supplier shall be entitled to the benefit of, and the Buyer shall accordingly account to the Supplier for, all damages and costs (if any) awarded in favour of the Buyer which are payable by, or agreed with the consent of the Buyer (which consent shall not be unreasonably

withheld) to be paid by, any other party in respect of any such claim; and (vi) without prejudice to any duty of the Buyer at common law, the Supplier shall be entitled to require the Buyer to take such steps as the Supplier may reasonably require to mitigate or reduce any such loss, damages, costs or expenses for which the Supplier is liable to indemnify the Buyer under this Section 14.4, which steps may include (at the Supplier's option) accepting from the Supplier non-infringing, modified or replacement Products or Services. 14.5 The Supplier shall have no obligation or liability under Section 14.4 insofar as the infringement arises from: (i) any additions or modifications made to the Products and/or Services in question, otherwise than by the Supplier or with its prior written consent; (ii) any information provided by the Buyer to the Supplier including without limitation any specification; (iii) performance by the Supplier of any work required to any Products, or performance of any Services, in compliance with the Buyer's requirements or specification; (iv) a combination with or an addition to equipment not manufactured or developed by the Supplier; or (v) the use of Products beyond that scope established by the Supplier or approved in writing by the Supplier. 14.6 Without prejudice to Section 12.1, this Section 14 states that entire liability of the Supplier and the exclusive remedy of the Buyer with respect to any alleged infringement of intellectual property rights belonging to a third party arising out of or in connection with the performance of any Contract. This Section 14 shall be subject to the limits of liability in Sections 12.3, 12.4 and 12.5.

15 Force Majeure Notwithstanding anything to the contrary in these Conditions, the Supplier shall not be liable to the Buyer for any loss or damage which may be suffered by the Buyer as a direct or indirect result of the supply of Products or Services being prevented, delayed or rendered uneconomic by reason of circumstances or events beyond the Supplier's reasonable control. If due to such circumstances or events the Supplier has insufficient stocks to meet all its commitments the Supplier may apportion available stocks between its customers at its sole discretion.

16 Confidential Information Each party undertakes to keep confidential, not use for its own purposes and not without the prior written consent of the other party disclose to any third party, any information of a confidential nature belonging or relating to the other party which may become known to it unless such information is or becomes public knowledge (other than by breach of this Section) or is required to be disclosed by order of a competent authority.

17 Cancellation, Rescheduling and Termination 17.1 Orders for Products accepted by the Supplier may be cancelled or rescheduled by the Buyer only with the written consent of the Supplier (which consent the Supplier may withhold for any reason) and the Buyer shall indemnify the Supplier against the cost of all labour and materials used in connection with the order so cancelled or varied against all loss, damage cost, charges and expenses suffered or incurred by the Supplier as a result of that cancellation or variation. 17.2 Contracts for Service shall commence on the commencement date identified in the relevant Proposal and, subject to earlier termination in accordance with Section 17.3 or 17.4, shall continue in force for the initial term as prescribed in such Proposal and thereafter for any renewal period (if any) set out in the Proposal and thereafter without limit of period unless or until terminated by either party in accordance with Section 17.3 or 17.4. 17.3 Without prejudice to Section 17.4, either party may terminate a Contract for Services by giving ninety days (90) written notice to the other party. 17.4 Either party may terminate a Contract for Services immediately at any time by written notice to the other party if the other party commits a material breach of the Contract for Services which is incapable of remedy or which it fails to remedy within thirty days (30) of receiving written notice requiring it to be remedied. 17.5 Upon termination or expiry of any Contract for Services, each party shall, except to the extent permitted or required to exercise or perform its continuing rights, or obligations hereunder, return to the overall party all property of the other party in its possession, custody or control and shall not retain any copies of the same. 17.6 Termination of any Contract in accordance with these Conditions shall not affect the accrued rights or liabilities of the parties at the date of termination.

18: Insolvency of the Buyer If; (i) the Buyer becomes insolvent, has a receiver, administrative receiver, administrator or manager appointed of the whole or any part of its assets or business, makes any composition or

arrangement with its creditors, takes or suffers any similar action in consequence of debt or an order or resolution is made for its dissolution or liquidation (other than for the purpose of solvent amalgamation or reconstruction) or carries out or undergoes any analogous act or proceedings under an applicable foreign law; or (ii) the Buyer ceases, or threatens to cease to carry on business then, without prejudice to any other right or remedy available to the Supplier, the Supplier may treat any Contract as repudiated and/or withhold any further supply of Products and/or Services without any liability to the Buyer and, if any Products and/or Services have been supplied but not paid for, the price or fees shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

19 General 19.1 These Conditions and any Contract shall be governed by the laws of England. Claims or disputes arising out of or in connection with these Conditions or any Contract shall be referred to mediation, in accordance with the Centre for Effective Dispute Resolution ("CEDR") procedures then in force, before reporting to litigation. The mediation process will be commenced by Service by one party on the other(s) of a written notice that the dispute is to be referred to mediation (the "Commencement Notice"). The parties will then participate in good faith in the mediation. Unless otherwise agreed between the parties the mediator will be nominated by CEDR. No party may commence any court proceedings arising out of any dispute in relation to these Conditions or any Contract until it has attempted to settle the dispute by mediation and either the mediation has terminated or the other party has failed to participate in the mediation. In the event that any party resorts to litigation, each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England over any claim or dispute arising out of or in connection with these Conditions or any Contract but the Supplier shall be entitled to bring a claim against the Buyer in any court of competent jurisdiction. Nothing in this Section 19.1 shall prevent any party from having recourse to a court of competent jurisdiction for the sole purpose of seeking a preliminary injunction or such other provisional judicial relief as it considers necessary. 19.2 Failure by the Supplier to exercise or enforce any rights hereunder shall not be deemed to be a waiver of any such right nor operate so as to bear the exercise or enforcement thereof any time or times thereafter. 19.3 If any provision or part of a provision of these Conditions is or is held by any court of competent jurisdiction to be unenforceable or invalid, such unenforceability or invalidity shall not affect the enforceability of any other provision. 19.4 The Buyer may not assign, transfer, novate or otherwise dispose of all or any of its rights or delegate any of its obligations thereunder, in whole or in part, without the prior written consent of the Supplier. 19.5 These Conditions and the relevant Contract constitutes the entire agreement and understanding between the parties with respect to its subject matter and supersedes any prior agreement, understanding or arrangement between the parties, whether oral or in writing. No representation, undertaking or promise shall be taken to have been given or implied from anything said or written in negotiations between the parties prior to the date of any Contract except as expressly stated in that Contract. The Buyer shall not have any remedy in respect of any untrue statement made by the Supplier upon which the Buyer relied in entering into a Contract (unless such untrue statement was made fraudulently or was as to a fundamental matter including a matter fundamental to the Supplier's ability to perform its obligations under the Contract) and the Buyer's only remedies shall be for breach of contract as provided for in these Conditions. Misrepresentations as to fundamental matters shall be subject to the terms of Section 12. 19.6 Variation to any Contract must be in writing and signed by the authorised representatives of the parties. 19.7 All notices given under these Conditions shall be sent to the address of the other party set forth in the quotation or to such other address as such party may designate from time to time by such notice. Notice shall be regarded as properly given if sent in writing and shall be deemed to have been served on delivery if sent by hand, 2 days after dispatched if sent by post, and on confirmation of transmission, if sent by facsimile.