

APPLIED CARD TECHNOLOGIES LIMITED – TERMS AND CONDITIONS OF PURCHASE

1 Definitions

- 1.1 'Buyer' means **APPLIED CARD TECHNOLOGIES LIMITED**.
- 1.2 'Conditions' means the terms and conditions of purchase set out in this document and any special terms and conditions agreed in writing by the Buyer.
- 1.3 'Delivery Date' means the date specified by the Buyer when the goods are to be delivered.
- 1.4 'Goods' means the articles, which the Buyer agrees to buy from the Seller.
- 1.5 'Price' means the price for the Goods and/or Services excluding carriage, packing, insurance and VAT.
- 1.6 'Seller' means the person whose name and address appears overleaf
- 1.7 "Services" means the services, which the Buyer has agreed to buy from the Seller

2 Conditions applicable

- 2 These Conditions shall apply to all contracts for the purchase of Goods and/or Services by the Buyer to the Buyer to the exclusion of all other terms and conditions including any terms or conditions which the Seller may purport to apply under any purchase order confirmation of order or similar document.
- 2.2 Despatch or delivery of any of the Goods and/or Services shall be deemed conclusive evidence of the Seller's acceptance of these Conditions.
- 2.4 Any variation to these Conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless agreed in writing by the Buyer.

3 The Price and payment

- 3.1 The Price shall be the Seller's quoted price.
- 3.2 Payment of the Price and VAT shall be due on the last working day of the month following the end of the month in which the Goods and/or Services are delivered. Time for payment shall not be of the essence. The Price is exclusive of VAT which shall be due at the rate ruling on the date of VAT invoice
- 3.3 The Buyer may set off against the Price (including any applicable VAT payable) amounts due from the Seller whether under the applicable contract of sale or otherwise.

4 The Goods

- 4.1 The Goods and/or Services shall be manufactured and supplied in accordance with the description contained in the Seller's specification and manufactured in accordance with all applicable British Standards which relate specifically to the Goods
- 4.2 All representations, statements or warranties made or given by the Seller, its servants and agents (whether orally in writing or in any of the Seller's brochures catalogues and advertisements) regarding the quality and fitness for purpose of the Goods and/or Services or any of the Goods and/or Services shall be deemed to be express conditions of the contract of sale.
- 4.3 The Seller shall ensure that all the Goods and/or Services shall be manufactured, stored, tested and packed in accordance with all legal requirements and all British Standards applicable to them and that all the Goods and/or Services are of merchantable quality and fit for purpose and/or fit for the purposes for which the Buyer intends to use such Goods and/or Services.
- 4.4 The Goods and/or Services shall be marked in accordance with the Buyer's instructions or the Buyer's specifications as the case may be and all lawful requirements and properly packed and secured for delivery to the Buyer in an undamaged condition.
- 4.5 Where any specifications and designs of the Goods and/or Services or any of the Goods and/or Services have been provided by the Buyer the copyright, design right or other intellectual property in them shall remain the property of the Buyer.
- 4.6 The Goods and/or Services shall within 14 days prior to despatch be tried by the Seller in the presence of a representative of the Buyer by working the Goods and/or Services in the usual manner. If the Goods and/or Services shall fail to work in accordance with their specification the Seller shall remedy the defects within 7 days after the trial and the Goods and/or Services shall then be tried again in the manner set out above. Provided that the trial shall fail to disclose any defects then the Goods and/or Services shall be deemed to conform to the contract and the Buyer shall be bound to accept the Goods and/or Services.

5 Warranties and liability

- 5.1 The Seller warrants that the Goods will at the time of delivery correspond to the description given by the Seller
- 5.2 The Seller warrants that the Seller and the Goods and/or Services will comply with the provisions of Clause 4 above

6 Delivery of the Goods and/or Services

- 6.1 Delivery of the Goods shall be made to the Buyer's address on the Delivery Date.
- 6.2 The Delivery Date is of the essence of this contract.
- 6.3 If the Seller fails to deliver all of the Goods and/or Services in accordance with the contract on the Delivery Date then without prejudice to the Buyer's rights for the breach of contract:
 - 6.3.1 The Buyer may terminate the contract. In this event without prejudice to the Buyer's other remedies the Seller shall promptly collect any Goods and/or Services, which have been delivered.
 - 6.3.2 Where delivery of a quantity of the Goods and/or Services which correspond to the contract which is less than the agreed quantity has been tendered and the Buyer has not exercised its rights of termination under clause 6.3.1 the Buyer may accept the Goods and/or Services which correspond to the contract and recover for the Seller's breach in respect of the failure to deliver the remainder of the Goods and/or Services.
 - 6.3.3 The Buyer may require the Seller promptly to deliver sufficient Goods which correspond to the contract to comply with the quantity required.
- 6.4 The Seller shall arrange and be responsible for carriage of the Goods and/or Services to the Buyer's address.

- 6.5 The Seller upon receiving notice to that effect from the Buyer shall repair or replace free of charge Goods and/or Services damaged or lost in transit and due delivery of the Goods and/or Services shall not be deemed to have taken place until replacement or repaired Goods and/or Services have been delivered by the Seller to the Buyer. The Buyer reserves the right to hold such damaged Goods and/or Services at the Seller's risk or to return them at the risk and expense of the Seller.

7 Acceptance of the Goods

- 7.1 The Buyer shall not be deemed to have accepted any part of the Goods and/or Services until after the Buyer has (or the Buyer's sub-buyers have) actually inspected the Goods and/or Services and ascertained that they are in accordance with the contract. The Buyer may reject Goods which are not in accordance with the contract until a reasonable time after such inspection.
- 7.2 The Buyer may by notice to the Seller prior to acceptance reject any Goods and/or Services which are not in accordance with the contract. The Buyer may set off against any payment due to the Seller (whether under this contract or otherwise) the Price of such Goods and/or Services. Unless within a reasonable time of receipt of notice of rejection the Seller collects such Goods and/or Services the Buyer may dispose of them as the Buyer shall think fit (provided that if the Buyer sells such Goods and/or Services the Buyer shall account to the Seller for the net proceeds of such sale).
- 7.3 The Seller agrees to permit the Buyer to return any of the Goods and/or Services which are not in accordance with the contract at any time up to 12 months after delivery notwithstanding that the Goods and/or Services may have already been accepted by the Buyer.

8 Title and risk

- 8.1 Title shall pass on delivery of the Goods.
- 8.2 Risk shall pass on delivery of the Goods.

9 Remedies of Buyer

- 9.1 The Seller shall indemnify the Buyer against all claims by the customers of the Buyer and their sub-buyers arising out of any breach whatever by the Seller of this contract of sale due to want to merchantable quality or lack of fitness for purpose of the Goods and/or Services or any of the Goods and/or Services and/or breach of the terms of this contract.
- 9.2 Without prejudice to the other rights of the Buyer for breach by the Seller where any of the Goods and/or Services supplied to the Buyer are not in accordance with the contract the Seller shall at the option of the Buyer forthwith upon notice being given either repair or replace such Goods and/or Services. If it is necessary to open up or dismantle any other works or assemblies to permit such repair or replacement then the Seller shall bear the cost of such opening up or dismantling and of re-assembly and making good after repairs, replacements and testing of such goods have been completed to the Buyer's reasonable satisfaction.

10 Proper law of contract

This contract is subject to the law of England and Wales. Neither party shall be liable for any default due to any act of God, war, strike, lockout, industrial action, fire, flood, drought, tempest or other event beyond the reasonable control of either party.

11 Miscellaneous

The Buyer may cancel this contract at any time before all of the Goods and/or Services are delivered by giving written notice. On giving such written notice

- 11.1 the Seller shall cease to be bound to deliver and the Buyer shall cease to be bound to receive delivery of any further Goods and/or Services;
- 11.2 the Buyer shall cease to be bound to pay that part of the Price which relates to Goods and/or Services which have not been delivered;
- 11.3 the Buyer shall not be liable for any loss or damage whatever arising from such cancellation.