

PARITY TERMS AND CONDITIONS OF PURCHASE

The Seller will supply and the Buyer will take delivery of the Goods and/or associated Services listed overleaf upon and subject to the Terms and Conditions of the several sections of the Terms and Conditions of Purchase detailed below.

Section 1: General Terms.	Section 2:	Purchase of Goods.
Section 3: Purchase of Services.	Section 4:	Purchase of Consultancy Services.

Section 1 - General Terms.

1. Definitions

- 'The Buyer' means Parity Solutions Ltd, whose place of business is on the face of this document.
'The Order' means the order set out on the face of this document which is placed by the Buyer for the supply of the Goods or Services which expressions are defined below.
'The Seller' means the person, firm, agency or company to whom the Order is addressed.
'The Goods' means the items of goods described in the Order and any part thereof.
'The Services' means the work or services to be performed under the Order and any part thereof.
'The Price' means the sum of the prices of the individual items comprising the Goods and Services listed on the face of the Order.
'The Contract' shall have the meaning stated in Condition 2 hereof.
'The Period' means the intended minimum duration of the Services specified on the Order.
'The Premises' means the address where the Goods are to be delivered/Services performed.
'Hours' and 'Working Days' shall mean the hours and working days, as the case may be, during which the Services are to be performed for the Buyer, as defined within the Order.
'Third Party' means a third party designated by the Buyer.

2. Acknowledgement of Order

Within fourteen (14) days after the issue of the Order and any Amendment thereto the associated Buyer's Acknowledgement forms signed by the Seller indicating its acceptance thereof must be received by the Buyer otherwise the Buyer may withdraw the Order and/or the Amendment thereto without liability. In the event that no acceptance is received by the Buyer as aforesaid it is hereby agreed by the Seller that the commencement of any work or the delivery of any Goods or the performance of any Services whichever shall be the earliest shall constitute acceptance by the Seller of the Order on the terms and conditions stated herein. The contract ('the Contract') arising out of the Seller's acceptance of the Order shall be governed by these Terms and Conditions of Purchase alone and the Contract shall consist only of this document together with any Amendment thereto which may be subsequently agreed by the parties in writing.

3. Price and Payment

The Price is fixed and not subject to variation. The Price is exclusive of Value Added Tax the chargeable amount of which shall be included on the Seller's Invoice at the rate ruling at the tax point. Invoice(s) shall be submitted upon delivery and payment shall become due upon acceptance of the Goods and/or Services or by the end of the month following that in which the invoices are received by the Buyer, whichever is the later. All invoices must contain the Order number for payment to be processed and proof of delivery. The Buyer may reduce payment in respect of any Goods or Services that the Seller has either failed to provide or has provided inadequately, without prejudice to any other rights or remedies of the Buyer.

4. Force Majeure

In the event that either party is delayed in the performance of any of its obligations in connection with the Order due directly or indirectly to or consequent upon any cause which is reasonably beyond the control of the party so delayed including without limitation to the generality of the foregoing, an act of God, refusal of licence or other Government act, fire or natural disaster the party so delayed will use its best endeavours to comply with its obligations in connection with the Contract

despite the intervention or occurrence of any such cause and if the cause continues for a period of more than 14 days then following written notification to the Seller the Buyer may terminate the Contract in accordance with Condition 11.2.

5. Warranty

If there shall appear in any item comprising the Goods and/or Services within 12 months after acceptance thereof any defect due to faulty material, faulty workmanship or manufacturing process or faulty design or choice of materials or the quality of the Goods and/or Services is such that they do not conform to the Buyer's specification, design, requirements or other description or the Goods are not of merchantable quality and the same is notified to the Seller then the Seller shall at the option of the Buyer and without prejudice to the Buyer's other rights hereunder forthwith repair or replace the Goods or reperform the Services so as to remedy the defect without cost to the Buyer.

6. Statutory Requirements

The Seller warrants that the design construction and quality of the Goods and/or Services to be supplied under the Order comply in all respects with all requirements, relevant for the time being, specified in any relevant British Standard, Statute, Statutory Rule or order or other instrument having the force of law which may be in force in the country in which the Goods are to be delivered and/or Services are to be performed by the Seller at the time when the same are supplied.

7. Health and Safety

The Seller undertakes that it has disclosed to the Buyer any information or requirement affecting the Buyer under the Health and Safety at Work Act 1974. The Goods supplied or installed under the Contract shall be so formulated, designed, constructed, finished and packaged as to be safe and without risk to health. The Seller agrees before delivery to furnish the Buyer in writing with a list of any harmful or potentially harmful properties or ingredients in the Goods supplied whether in use or otherwise and thereafter information concerning any changes in such properties or ingredients.

8. Intellectual Property Rights

8.1 The Seller shall fully indemnify the Buyer against all legal liability, losses and costs of any kind arising out of any infringement or alleged infringement by the Buyer or any other person of any letters patent, registered design, design right, copyright, trademark or trade name or other protected right in any country by the use, sale or other disposition of the Goods and/or Services.

8.2 All works inventions improvements and discoveries conceived or generated by the Seller or its personnel in the performance of the Contract and any documentation or computer programs including any copyright therein and any right to apply for patents (hereinafter called 'Property Rights') shall automatically vest in and become the sole property of the Buyer. The Seller agrees that personnel performing the Services shall be its employees and that no title rights or interest whether legal or beneficial in any Property Rights will vest in the Seller's employees. On completion or earlier termination of the Contract the Seller shall give to the Buyer all designs drawings data and information of whatsoever nature in its possession and shall whether during the Contract or thereafter at the request and cost of the Buyer complete or procure its employees to complete and sign any documents and do all acts and things necessary to vest the Property Rights in the Buyer throughout the world.

9. Assignment

The Seller shall not assign, sublet, subcontract or otherwise transfer the performance, burden, benefit or advantage of the Contract or any part thereof without the prior written consent of the Buyer.

10. Indemnity

The Seller shall indemnify the Buyer in respect of all damage or injury to any person or property and against all actions, suits, claims, demands, costs, charges, expenses or losses arising in connection with the Contract to the extent that the same shall have been occasioned other than by the negligence of the Buyer, its servants or agents.

11. Termination

11.1 The Buyer may without prejudice to any other right or remedy to which it may be entitled terminate the Contract summarily by notice in writing in the event that

- i) The Seller has had a bankruptcy order made against him has made an arrangement or composition with its creditors or otherwise taken the benefit of any Act for the time being in force for the relief of insolvent debtors or has suffered or allowed any execution whether legal or equitable to be levied on its property or obtained against it or (being a body corporate) has had convened a meeting of creditors (whether formal or informal) or has entered into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation or has a receiver manager or administrator appointed of its undertaking or any part thereof or a resolution has been passed or a petition presented to any Court for the winding-up of the Seller or any proceedings have been commenced relating to the insolvency or possible insolvency of the Seller; or
- ii) The Seller shall be in breach of any of its obligations under the Contract; or
- iii) There is substantial movement in the price of the Goods or Services or of competitive goods or services.

11.2 The Buyer reserves the right to terminate for any reason the Contract at any time by notice in writing to the Seller whereupon the Seller shall stop all work under the said Contract and take such other reasonable action as may be necessary to reduce the termination cost due to the Seller hereunder. In the event of such termination the Seller shall be entitled to reimbursement of the costs incurred for the work done received and paid for by the Seller in and for the performance of the said Contract prior to the day of termination which may be properly allocated under recognised accounting practices. In no event will the reimbursement exceed the Price. Upon payment of such reimbursement the Seller shall deliver to the Buyer such of the Goods or Services completed, work-in-progress and other materials, costs of which have been included in such reimbursement. The provision herein for reimbursement to the Seller shall not apply if the Contract is terminated by the Buyer pursuant to the default of the Seller.

12. Time

The Seller shall deliver the Goods and perform the Services during the Buyer's normal working hours on the date specified in the Order. In the event the Goods or any item thereof are not delivered or Services not performed by the date specified in the Order or that the Goods or Services are defective the Buyer shall, without prejudice to any other remedy to which it may be entitled have the right to immediately terminate the Order in respect of the Goods or Services remaining undelivered or to be performed and:- (a) return to the Seller at the Seller's risk and expense any of the Goods which may have been delivered or Services performed but which cannot be effectively and commercially used by the Buyer by reason of such non-delivery or non performance, and the Seller shall forthwith give a credit to the Buyer for the full price paid, and (b) recover from the Seller any additional expenditure reasonably incurred by the Buyer in obtaining other Goods or procuring other Services in replacement for those in respect of which the said Contract has been determined.

13. Confidentiality

The Order and all information software, trade or business secrets disclosed to or obtained by the Seller in connection therewith shall be treated by the Seller as confidential and shall not without the prior written consent of the Buyer be divulged to any person other than those to whom such

information is necessary to enable the Seller to fulfil the Order and the Seller shall procure that the persons to whom such information is divulged shall themselves observe the requirements of this Condition. Information that shall remain confidential includes all information obtained or provided to the Seller from the Buyer or a Third Party relating to and in anyway connected with the Good, Services or Contract All technical information, know-how, drawings, designs, specifications and other information disclosed to the Seller as aforesaid are subject to the copyright of the Buyer and shall be utilised by the Seller for the purpose of the said Contract only.

Notwithstanding the content of the Order and the fact that information that you provide to Parity will be held in our systems, which are located on our premises or those of an appointed third party. We may also allow access to the information to other third parties who act for us for the purposes set out above or for other purposes approved by you. It is possible that your data may be processed outside of the European economic area.

14. Advertising

The Seller shall not make use of the Buyer's name or any information contained in or in connection with the Order for publicity purposes without the prior written consent of the Buyer.

15. Official Secrets Act

In the event that the Buyer shall be bound by the Official Secrets Act by virtue of a contract with one of its customers which contract is in any way whatsoever connected with the Goods or Services then the Seller shall be bound also by the said Act with equal force and effect as the Buyer. The Buyer shall state in the Order if the Official Secrets Act is to apply.

16. Inspection

The Buyer reserves the right at reasonable times to inspect or test the Goods or Services during development, manufacture or testing or at any stage before delivery and the Seller shall give rights of access to premises and such facilities as the Buyer may reasonably require for such inspection or testing.

17. Issued Materials

All goods supplied by the Buyer to the Seller for the purpose of development processing repair or storage shall not be removed from the Seller's premises without the written instructions of the Buyer except for the purpose of fulfilling the Contract. The Seller shall return to the Buyer such negatives and such number or quantity of completed items specified overleaf or shall account for failure to do so to the satisfaction of the Buyer.

18. The Buyer's Goods

18.1 Any designs equipment or goods supplied by the Buyer to the Seller referred to in connection with the Order or reflected in the Clauses are hereinafter referred to as 'the Buyer's Goods'

18.2 The property in the Buyer's Goods shall remain in the Buyer who may retake possession thereof at any time without notice. The Seller shall keep the Buyer's goods separate and apart from all property of other persons and shall clearly mark the Buyer's Goods 'Property of Parity Solutions Ltd'.

18.3 The Seller hereby agrees to indemnify the Buyer against loss of or damage to the Buyer's Goods during the time they are in the Seller's possession, custody or control. During such time the Seller shall adequately insure the Buyer's Goods in the name of and for the benefit of the Buyer at the Seller's expense with a reputable insurance company against loss or damage arising from any cause whatsoever and shall produce to the Buyer on demand the policies of such insurance and the receipts of the premiums paid thereon.

18.4 The Seller hereby waives any lien it might otherwise have (whether at the date thereof or subsequently) on any of the Buyer's Goods for work done thereon or otherwise but this Clause shall not be construed as a waiver of any other right of recovery of any charges that may be due to the Seller for such work.

18.5 The Seller shall promptly pay the Buyer on demand the full replacement value of any of the Buyer's Goods which are not returned or satisfactorily accounted for.

19. Guarantee

The Seller consents to the Buyer transferring any guarantee or similar rights given by the Seller to the Buyer in relation to the Goods or Services supplied to any other person or company to whom the Buyer sells hires or disposes of such Goods or Services to the extent that such guarantee or similar right may be enforced against the Seller not only by the Buyer but also by any person or company claiming through the Buyer.

20. Notices

Any notices sent under the Contract shall be sent by registered or similar post or telex to the address of the recipient party set out overleaf, or to such other address as such party may have notified to the other for this purpose. Any such notice shall be deemed to have been received 24 hours after posting if by post and if by telex upon receipt of the appropriate answer back. All such notices shall be in English.

21. Freedom of Information Act

The Seller acknowledges that the Buyer maybe subject to the requirements of the Freedom of Information Act 2000 ("FOIA") and shall assist and cooperate with the Buyer, at the Seller's expense, to enable the Buyer to comply with any information disclosure requirements. The Buyer shall be responsible for determining, at its absolute discretion whether any information is to be disclosed in response to a request for information under section 8 of the FOIA.

22. Data Protection

The Seller's acknowledges its obligations under the Data Protection Act 1998. The Seller shall observe their obligations under Act and shall comply at all times with the data protection requirements contained within the Data Protection Act 1998 and shall not perform its Service obligations under this Contract in such a way as to cause the Buyer to breach any of its applicable obligations under the Data Protection Act 1998.

23. General

23.1 All the Terms and Conditions of the Contract are set out herein and no other terms and conditions shall apply, whether oral or in any separate Order, Invoice confirmation of the Seller or otherwise.

23.2 No variation to the Contract shall be effective unless and until advised in writing by an authorised signatory of the Buyer.

23.3 The headings contained in the Contract are for ease of reference only.

23.4 Any waiver by either party of a clause or sub-clause or paragraph of the Contract shall not prevent such clause or sub-clause or paragraph from being valid and enforceable in all other instances.

23.5 The invalidity or enforceability for any reason of any clause, sub-clause or paragraph of the Contract or any part thereof shall not prejudice or affect the validity or enforceability of the remainder.

23.6 The provisions of Conditions 1, 5, 6, 8, 10, 13, 15, 18, 19, 21, 22, 23 and 24 shall survive and continue to have effect after termination for any reason whatsoever of the Contract or after the Contract becomes impossible of performance or is otherwise frustrated.

23.7 During the Contract and for a period of six (6) months following its termination the Seller shall not without the prior written consent of the Buyer directly or indirectly employ any

personnel then employed by the Buyer or previously employed by the Buyer within the preceding (6) six months with whom the Seller had dealings until those personnel have terminated such employment by a period of not less than six (6) months.

24. Law

The Contract shall in all respects be subject to and interpreted in accordance with the Laws of England and the parties submit to the non-exclusive jurisdiction of the English Courts.

Section 2 - Purchase of Goods

The following conditions will apply in addition to the General Terms contained in Section 1 in respect of the Purchase of Goods.

1. Quality and Description

1.1 The Goods shall be of sound workmanship and materials and shall conform as to quality, quantity and description with that specified in the Order and where a specification is given by one party to the other shall be equal to such in all respects and shall be fit for purpose and meet the stated objectives and business needs of the Buyer or a Third Party and in default thereof and without prejudice to any other rights of the Buyer the Buyer reserves the right to reject the Goods and terminate the Contract.

1.2 The Buyer reserves the right to amend the Order including changes in the specification quantities time or place of delivery at which event any resultant variation in Price or in the date specified for delivery shall be an equitable adjustment and be by mutual agreement prior to the Seller proceeding with such change.

1.3 In the absence of any quality standards being quoted on the face of this document which will take precedence over the quality standards referenced below, Parity requires Goods to be delivered/Services performed and controlled in accordance with the following quality standards (where applicable):

i)	ISO 9001	ii)	ISO20000
iii)	TickIT	iv)	ISO 27001
v)	ISO 10002	vi)	BS25999
vii)	ISO 14001	viii)	TL9000

1.4 The Goods will be inspected by the Buyer within a reasonable period of time after delivery and shall be subject to the Buyer's right of rejection at any time within 12 months of delivery. The Goods or any item thereof so rejected shall be returned to the Seller at the Seller's risk and cost and if returned for repair or correction or replacement at the Buyer's option the same shall be done at the risk and expense of the Seller.

1.5 The Seller will allow inspection at its premises by Buyer or Third Party inspectors when and as required.

1.6 Goods supplied under the Order shall be inspected by the Seller prior to despatch and a Certificate of Conformity with all specifications referenced on the Order shall be provided to the Buyer.

1.7 Acceptance of Goods by the Buyer shall be subject to satisfactory installation and conduct of commissioning tests either by the Buyer or a Third Party. These tests are to be defined by the Buyer prior to installation.

2. Delivery

The Goods shall be deemed delivered to and to have been received by the Buyer at the place specified in the Order. The Goods shall be delivered by suitable transport and at the expense of the

Seller properly packed and secured to the place specified in the Order or as subsequently agreed. All packages shall be clearly marked with the delivery address stated in the Order and with the Order number and the Seller's name. Unless otherwise specified in the Order all packaging shall be considered non-returnable and its costs included in the Price. It is the responsibility of the Seller to ensure transport so utilised is of adequate size and construction to enable the Goods to be properly unloaded by the Seller, or its agents at the Buyer's designated receiving point.

If for any reason the Buyer is unable to accept delivery of the Goods at the time when the Goods are due for delivery the Seller shall store the Goods, safeguard them and take all reasonable steps to prevent deterioration until their actual delivery. The Buyer shall be liable to the Seller for reasonable costs (including insurance) for its doing so except where the Goods have been delivered early. The Seller will without delay, repair or replace free of charge, Goods damaged or lost in transit provided that where reasonably practicable the Buyer shall give the Seller written notification of such damage or loss within such time as will enable the Seller to comply with its carrier's conditions of carriage affecting loss or damage in transit if such time has been previously notified to the Buyer in writing or where delivery is made by the Seller's own transport, within a reasonable time.

3. Title

3.1 Subject to Clause 3.2 title to and all risk of loss of or damage to the Goods shall pass to the Buyer when delivered to the Buyer.

3.2 Where the Buyer has made payment in advance of delivery of any goods which the Seller has i) acquired or subsequently acquires specifically for the Buyer; or ii) appropriated or subsequently appropriates to the Contract title in such goods shall pass to the Buyer upon payment or, if later, as soon as such Goods are acquired specifically for the Buyer or are appropriated to the Contract but risk in the Goods shall not pass to the Buyer until the time and place of delivery

4 Early Delivery

Goods delivered earlier than the date specified in the Order, without the prior written consent of the Buyer, may be rejected.

5. Advice Notes

One copy of the advice note which must contain reference to the Order number, description of the Goods, number of packages, method of transport and route, must be mailed to the address from which the Order originates, a second copy must accompany the Goods and a further copy be given to the carrier if engaged by the Seller.

Section 3 - Purchase of Services

The following conditions will apply in addition to the General Terms contained in Section 1 in respect of the Purchase of Services.

1. The Seller's Obligations

1.1 The Seller shall provide the Services as defined by and under the direction of the Buyer as specified in and for the period of time stated in the Order hereto.

1.2 The Seller will liaise with the Buyer or a Third Party designated in writing by the Buyer regarding the progress of the Services being carried out.

1.3 The Seller will provide advice and guidance to the Buyer's staff or at the Buyer's written request to any Third Party designated by the Buyer in the said request.

1.4 The Seller shall act for or support the Buyer if required by the Buyer to do so in technical discussions.

1.5 The Seller shall provide as may be requested by the Buyer from time to time 'fixed price' or 'time and materials' quotations for additional tasks that may be required to be carried out in connection with the Services these will specify:

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|------------------------------|----------------------------|
| i) Additional costs | ii) Completion time-scales |
| iii) Any associated problems | iv) Quotation validity |

Such quotations if accepted by the Buyer will be incorporated herein by means of the issue by the Buyer of an amendment to the Order.

2. Performance

2.1 The Services shall be supplied in accordance with the requirements of the Contract and shall meet to the satisfaction of the Buyer, its authorised representative or a Third Party the agreed acceptance criteria.

2.2 The Buyer will specify in conjunction with the Seller a procedure for the acceptance of the Services which may include but may not be limited to passing the agreed performance and functional tests and the provision of adequate documentation.

2.3 When formal progress reports are specified in the Order hereto the Seller shall render such reports in a form and at times to be agreed or as may be specified in the said Order.

3. Progress Reports

The Seller is to provide the Buyer with regular progress reports in accordance with the time-scales specified in the Order hereto. These will detail current performance against schedule, any potential problems which have been foreseen, and if necessary the Seller's recovery plan to the stipulated completion date.

Section 4 - Purchase of Consultancy Services

The following conditions will apply in addition to the General Terms contained in Section 1 in respect of such of the Services as are Consultancy Services.

1. Payment

The Buyer will be invoiced by the Seller for the Services in accordance with the Price referred to in the Order at the end of each calendar month provided that if the Period for which the Services are used by the Buyer shall be less than one (1) month, the Buyer will be invoiced at the termination of the period of such Services and in either case payment shall be made by the Buyer to the Seller, by the end of the month following that in which they are received by the Buyer.

2. Probationary Period

The first two weeks of the Period are probationary and during this part of the Period the Buyer may notify the Seller and request a suitable replacement of personnel in the event that the personnel performing the Services is for any reason not satisfactory to the Buyer or a Third Party. In the event that the Seller is unable (in the Buyer's sole opinion) to provide a suitable replacement or replacements of personnel then the Buyer may terminate the Contract forthwith and shall not be liable for any claims hereunder other than paying pro rata for the days for which the Services were provided and additional expenses payable under Condition 8 thereof.

3. Holidays and Absences

The Seller or the person himself if different will provide the Buyer with four (4) weeks' notice of any planned absence from the Premises by any personnel and shall notify absences from the assignment due to accidents, sickness and unforeseeable circumstances to the Buyer contact (as previously advised) as soon as reasonably practicable. Prices for supply of the Services will not be payable in respect of any period during which the Services are not provided.

4. Timesheet

Where the Services are supplied on a charge per hour/day/week basis an authorised signatory of the Buyer shall on the last day of each week sign the Buyer's timesheet showing the number of hours and days worked.

5. Discipline

The Seller shall ensure its personnel shall (1) obey all reasonable and lawful directions of the Buyer or a Third Party and (2) observe all applicable disciplinary rules and regulations of the Buyer or a Third Party whilst engaged on the Buyer's or a Third Party's premises such as may be required by these Terms and Conditions, and in the event of a serious or persistent breaches of such rules and regulations the Buyer shall be entitled to terminate the Services provided under these Terms and Conditions forthwith.

6. The Term

The Services provided under the Contract shall begin on the commencement date shown on the Order and extend for the Period specified in the Order. The Contract may be extended by the Buyer giving fourteen (14) days written notice to the Seller of any extension whereupon the revised charge to be paid for the Services will be agreed between the Buyer and the Seller.

7. Replacement

In the event that the Seller cannot supply the same personnel to provide the Services throughout the term of the Contract then the Seller may replace the personnel, subject to the Buyer's prior written agreement, provided that they use their best endeavours to replace the personnel with personnel of similar ability and experience. In the event that the replacement personnel is/are not suitable to the Buyer the Buyer shall be entitled to terminate the Services provided under the Contract.

8. Additional Expenses

The Buyer shall repay to the Seller the reasonable cost of any travel accommodation and subsistence expenses reasonably incurred by the Seller's personnel as a result of the performance of the Services away from the Premises provided that the Buyer shall agree the amount of such expense in advance and in writing and such expense shall be in line with the Buyer's or a Third Party's policy towards its own employees of a similar technical standard provided further that on request such personnel shall provide the Buyer with evidence of actual payment of such expenses that the Buyer may reasonably require.

9. General

- 9.1 In respect of information supplied by the Seller to the Buyer, the Seller shall be responsible for the accuracy of all information relating to the Seller and its personnel.
- 9.2 The Seller's personnel shall perform the Services identified in the Order with good, skill and care and to the best of their abilities.
- 9.3 The Seller hereby confirms that the Seller takes full responsibility for the payment for National Insurance contributions and Income Tax liabilities on behalf of the Seller and its personnel and the Seller hereby indemnifies the Buyer in respect of any claim that may be made by the relevant authorities against the Buyer in respect of Income Tax or National Insurance contributions relating to the Seller's Services.

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