



Terms and Conditions of Sales: Goods and Services

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1 Interpretation

1.1 In these Conditions:

“Customer” means Taalus’ customer;

“Conditions” means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in Writing between the Customer and Taalus which refer to the Purchase Form;

“Confidential Information” means secret or confidential commercial, financial, marketing, technical or other information that is of value to Taalus in any form or medium whether disclosed orally or in Writing before or after the date of the order or Contract, together with any reproductions of such information in any form or medium or any part of such information;

“Contract” means any contract between Taalus and the Customer for the sale of Goods and Services incorporating these Conditions;

“Equipment” means the machine(s) identified on the Purchase Form;

“Estimated Delivery Date” the date set out on the Purchase Form by which Taalus will use its reasonable endeavours to make available to the Customer the Goods as set out on the Purchase Form;

“Goods” means all articles, materials, equipment, goods, software and hardware (including any instalment of these or any parts for them) which Taalus is to supply in accordance with these Conditions and which are identified on the Purchase Form;

“Maintenance Fee” means the fee for the Services specified on the Purchase Form;

“Purchase Form” means Taalus’ standard purchase order form which must be used by a Customer to purchase Goods and/or Services from Taalus;

“Taalus” means Taalus Limited (Registered No.5687342 whose registered office is at 70 Church Road, Aston, Birmingham, B6 5TY);

“Services” means the maintenance services described in Part 2 of these Conditions subject to any restrictions or any additional maintenance services referred to on the Purchase Form;

“Site” means the address for installation and/or support, given by the Customer on the Purchase Form;

“Writing” means in writing including email, telex, cable, facsimile transmission, electronic transmission and comparable means of communication.

1.2 Any reference in these Conditions to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.3 The headings in these Conditions are for convenience of reference only and shall not affect their interpretation.

References in these Conditions to a person include an individual, company, corporation, firm or partnership.

2 Basis of the Sale and Duration of Services

2.1 Taalus shall sell and the Customer shall purchase the Goods and Services in accordance with the Conditions provided that Taalus has accepted the order submitted on the Purchase Form. The Purchase Form and these Conditions, shall govern the Contract to the exclusion of any other terms and conditions including without limitation any proposed by the Customer.

2.2 No variation to the Contract shall be binding unless agreed in Writing between the authorised representatives of the Customer and Taalus.

2.3 Any typographical, clerical or other error or omission in any sales literature, Purchase Form, price list, acceptance of offer, invoice or other document or information issued by Taalus shall be subject to correction without any liability on the part of Taalus.

2.4 The services will be provided in a timely and courteous manner. The Seller's obligation to provide the Services will start on the date specified on the Purchase Form or otherwise specified by Taalus in Writing, and if no period is specified for the duration of the Services, then they will continue for a minimum of 1 year and continue thereafter until terminated by Taalus in accordance with the terms for earlier termination set out in Condition 6 or unless terminated by either party giving not less than 3 months' written notice to the other at any time after such minimum term or in the case of installation services until customer acceptance.

Proposals do not constitute contractual offers.

2.6 If more than one item is listed in the agreement, the agreement shall take effect as a separate contract for each item of equipment.

3 Orders and Specifications

3.1 No order submitted by the Customer shall be deemed to be accepted by Taalus unless and until confirmed by Taalus or delivered to the Customer, whichever is the earlier.

3.2 The Customer shall be responsible to Taalus for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Customer, and for giving Taalus any necessary information relating to the Goods and/or Services within a sufficient period of time to enable Taalus to perform the Contract in accordance with its terms.

3.3 The quantity, quality and description of and any specification for the Goods and/or Services shall be those set out on the Purchase Form.

3.4 Taalus reserves the right to make any changes to the specification of the Goods and/or Services which are required to conform with any applicable safety or other statutory requirements or where the Goods and/or Services are to be supplied to Taalus' specification, which do not materially affect their quality or performance.

3.5 Where the Goods other than Taalus' standard products are obtained and delivered by Taalus to the Customer's order, the Goods may vary in accordance with normal trade tolerances from dimensions specified by the Customer in the order and the Customer shall not be entitled to make any claim against Taalus in respect of any such variations.

3.6 Notwithstanding that a sample of the Goods be exhibited to and inspected by the Customer, such sample is so exhibited or inspected solely to enable the Customer to judge for itself the quality of the bulk, and not so as to constitute a sale by sample. The Customer shall take the Goods at its own risk as to their corresponding with the said sample and subject to the normal variation between the bulk and sample accepted by the trade.

3.7 Any particular purpose for which the Customer proposes to use the Goods and/or Services shall be deemed not be known by or have been made known to Taalus unless specifically recorded in a schedule signed by one of Taalus' directors.

4 Price and Payment Terms

4.1 Quoted prices are exclusive of Value Added Tax which, if applicable, shall be paid by the Client. This will be added at the time of invoice, at the rate in force at that time.

4.2 Quoted prices will be confirmed at the time of order, and should be considered invalid a maximum of 30 days after the date of the proposal.

4.3 Taalus reserves the right, by giving notice to the Customer at any time before delivery of the Goods or performance of the Services to increase the price of the Goods and/or Services to reflect: any increase in the cost to Taalus which is due to any factor beyond the control of Taalus (such as without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, increases in the manufacturer's price for whatever reason); any change in delivery dates, quantities or specifications for the Goods and/or

Services which is requested by the Customer; or any delay caused by any instructions of the Customer or failure of the Customer to give Taalus adequate information or instructions.

4.4 Taalus shall invoice the Customer for the price of the Goods and/or Services.

4.5 Invoices for project work shall be submitted at the end of each calendar month, in arrears, in respect of all work carried out during that month. Where the work is completed prior to the end of a month, an invoice will be issued on completion.

4.6 Payment is due 30 days from the date of Taalus' invoice.

4.7 Taalus may, at its sole discretion, issue a deposit invoice for all orders of 30% of the quoted value of that work. Payment for any deposit invoices raised must be received before commencement of work.

4.8 Payments for maintenance, support or other annual recurring services must be received prior to commencement of service.

4.9 Where Taalus at the request of the Client incurs additional costs, expenses or disbursements, then the Client shall pay them within 30 days of Taalus' invoice.

4.10 The time of payment shall be of the essence of the Agreement.

4.11 If the Client fails to make any payment by the due date, then in addition to any other rights it may have Taalus shall be entitled to:

a) suspend all or any services under this Agreement and in such event the Client shall not in any respect be released from its obligations to Taalus under this Agreement.

b) demand payment of all outstanding balances whether or not due and/or cancel any outstanding orders from the customer.

c) appropriate any payment made by the customer to such of the goods (or the goods supplied under any other contracts between the customer and Taalus) and/or Services as Taalus may think fit (notwithstanding and purported appropriation by the Customer)

d) charge the customer interest (both before and after any judgement) on the amount unpaid, at the rate of eight (8) per cent per annum above Barclays Bank plc base rate from time to time until payment in full is made.

4.12 Taalus may appropriate any payment received from the Client to any services under this or any other agreement with the Client under which Taalus' fees remain outstanding.

4.13 The customer shall not be entitled to set off against or deduct from sums due to Taalus under the contract any amount that the customer claims from Taalus, whether under the contract or any other contract between the customer and Taalus

4.14 Each contract shall be subject to Taalus being satisfied as to the customer's credit status both prior to and during the period of the contract. If PCS becomes dissatisfied with the customer's credit status Taalus may suspend performance of the contract or withhold the delivery of goods and/or services until the customer satisfies Taalus as to the customer's creditworthiness or gives Taalus such security as Taalus shall deem appropriate for the price.

4.15 The supply of goods is invoicable on delivery. Returned hardware that has not been supplied incorrectly will be subject to a handling charge of 10% of its list price, plus any carriage charges.

4.15 Risk will pass to the Client when the equipment is placed on the Client's premises. Property in the equipment will pass to the Client on payment of the price in full plus all amounts then due for maintenance service.

4.16 Any breakdown of costs provided in any documentation is for the customer's information only. Variations to the overall cost shown will be made only at Taalus' discretion, or due to changes to the required goods or services that are processed through Change Control procedures as stated in these conditions.

5 Termination

5.1 Taalus shall be entitled to terminate or suspend the Contract without liability to the Customer by giving notice to the Customer at any time if one or more of the following events occurs:

- (a) the Customer commits a breach of any of its obligations under the Contract;
- (b) the Customer fails to remedy, where it is capable of remedy, or persists in any breach of any of its obligations under the Contract after having been required in Writing to remedy or desist from such breach within a period of 14 days;
- (c) the Customer undergoes a change of Control and for the purposes of this Condition 5.1 (c), "Control" has the meaning specified in Section 416 of the Income and Corporation Taxes Act 1988;
- (d) the Customer makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction); or
- (e) an incumbrancer takes possession, or a receiver is appointed, over any of the property or assets of the Customer; or
- (f) the Customer ceases, or threatens to cease, to carry on business; or
- (g) Taalus reasonably believes that any of the events specified in Condition 6.1 (a) to (f) inclusive above is about to occur in relation to the Customer and notifies the Customer accordingly.

5.2 Notwithstanding any such termination or suspension in accordance with Condition 5.1 above the Customer shall pay Taalus for all Goods delivered and Services fully or partially performed up to and including the date of suspension or termination, and termination of any Contract for whatever reason shall not affect the accrued rights or remedies of either party.

6 Risk

Risk of damage to or loss of the Goods shall pass to the Customer on delivery in accordance with Condition 10 below. Taalus shall not be liable for any loss or damage to the Goods from the time that the Goods are so delivered. If, however, the Customer is in breach of any of its obligations under these Conditions, which entitles Taalus not to deliver to the Customer on a particular date, then the Customer shall bear the risk of any deterioration or damage caused to the Goods during storage of the Goods by Taalus on the Customer's behalf.

7 Title Retention

7.1 Until the purchase price of the Goods comprised in the Contract or any other contract between Taalus and the Customer and all other sums whatsoever which are or shall become outstanding from the Customer to Taalus have been paid or satisfied in full (and if by cheque, then only upon clearance):

- (a) the property in the Goods remains vested in Taalus (notwithstanding the delivery of the same and the passing of the risk therein);
- (b) the Customer shall store the Goods in such a way that they can be readily identified as being Taalus' property;
- (c) the Customer shall on request inform Taalus of the precise location of each item of the Goods identified where applicable by its serial number, by supplying Taalus at the Customer's expense within seven days of Taalus' request with a schedule in Writing of the said locations;

(d) the Customer may sell the Goods in the normal course of its business and may pass good title to its customers being a bona fide purchaser for value without notice of Taalus' rights, subject to the following conditions:

(i) Taalus shall be entitled, immediately as a result of its ownership of the Goods, to the beneficial ownership of the proceeds of such sale which the Customer shall accordingly hold as fiduciary for Taalus; and

(ii) the Customer shall account to Taalus on demand with the said proceeds of sale provided that no such demand shall be made by Taalus in the absence of its having reasonable cause to believe that the Customer might default in making payment for the Goods on the terms contained herein; and

(iii) Taalus may at any time revoke the Customer's said power of sale in the circumstances set out in Condition 6 of these Conditions.

(e) Upon determination of the Customer's power of sale Taalus shall be entitled by itself its servants or agents to enter upon any of the Customer's premises for the purpose of removing and repossessing such Goods or their proceeds of sale and Taalus shall be entitled to claim from the Customer the costs and expenses incurred by Taalus in and ancillary to the process of such removal and repossession;

(f) Until title in the Goods has passed to the Customer, the Customer shall not purport to be the owner of the Goods and shall not show the Goods as stock in the Customer's accounts.

7.2 Nothing in these Conditions shall:

(a) entitle the Customer to return the Goods or to delay payment thereof; or

(b) constitute or be deemed to have constituted the Customer as Taalus' agent; or

(c) render Taalus liable to any third party for any unauthorised representation or warranty made or given by the Customer to such third party in relation to the Goods.

7.3 For the purposes of Condition 9.1, references to Goods shall be deemed to include a reference to software licences rather than software.

8 Lien

Taalus retains a general lien on any of the Customer's goods and property in its possession for any unpaid balance the Customer may owe to Taalus. Taalus shall be entitled to sell such equipment or materials in the event that payment is not made in full within 28 days of notice given to the Customer by Taalus of its exercise of the lien. The proceeds of sale may be taken by Taalus for reimbursement of the expense of exercise of the lien and the sale and payment of the said balance, and Taalus shall account for any surplus.

9 Delivery & Installation

9.1 Taalus will use reasonable endeavours to deliver (and if applicable install) the Goods and start to provide the Services on the date specified on the Purchase Form.

9.2 Any dates quoted for delivery and/or installation of the Goods and/or performance of the Services are approximate only and Taalus shall not be liable for any delay in relation to this, howsoever caused. Time for delivery shall not be of the essence unless previously agreed by Taalus in Writing. The Goods may be delivered and/or installed by Taalus in advance of the quoted delivery and/or installation date upon giving reasonable notice to the Customer.

9.3 Where the Goods are to be delivered in instalments, each delivery shall constitute a separate contract and failure by Taalus to deliver any one or more of the instalments in accordance with these Conditions or any claim by the Customer in respect of any one or

more instalments shall not entitle the Customer to treat the Contract as a whole as repudiated.

9.4 If the Customer fails to take delivery of the Goods or fails to give Taalus adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Customer's reasonable control or by reason of Taalus' fault) then, without prejudice to any other right or remedy available to Taalus, Taalus may:

- (a) store the Goods, until actual delivery and charge the Customer for the reasonable costs (including insurance) of storage; or
- (b) sell the Goods at the best price readily obtainable and (after deducting all reasonable storage insurance and selling expenses) account to the Customer for the excess over the price under the Contract or charge the Customer for any shortfall below the price under the Contract.

10 Warranty

10.1 If the Customer establishes to Taalus' reasonable satisfaction that there is a defect in the materials or workmanship of the Goods manufactured, then Taalus shall at its option, at its sole discretion and within a reasonable time;

- (a) arrange for the repair or making good such defect or failure in such Goods free of charge to the Customer (including all costs of transportation of any Goods or materials to and from the Customer for that purpose);
- (b) replace such Goods with Goods which are in all respects in accordance with the Contract; or subject, in every case, to the remaining provisions of Condition 11 provided that the liability of Taalus under this Condition 11.1 shall in no event exceed the purchase price of such Goods and performance of any of the above options shall constitute an entire discharge of Taalus' liability under this warranty.

10.2 Condition 11.1 shall not apply unless the Customer:

- (a) notifies Taalus in Writing of the alleged defect within 12 (twelve) months from delivery or such other period or periods as may be agreed in Writing between Taalus and the Customer; and
- (b) allows Taalus a reasonable opportunity to inspect the relevant Goods.

10.3 For the avoidance of doubt, Taalus shall be under no liability under the warranty in Condition 11.1 above:

- (a) where such defects arise from fair wear and tear, wilful damage or negligence of a party other than Taalus (or its employees or authorised personnel), abnormal working conditions, failure to follow Taalus' instructions (whether oral or in Writing), misuse or alteration or repair of the Goods without Taalus' approval; or
- (b) where such defects arise in parts, materials or equipment which have not been manufactured or designed by Taalus but have been purchased at the Customer's request by Taalus from the Customer's designer and manufacturer or from some other third party;
- (c) if the total price of the Goods has not been paid by the due date for payment;
- (d) in respect of any type of defect, damage or wear specifically excluded by Taalus by notice in Writing; or
- (e) if the Customer makes any further use of the Goods after giving notice in accordance with Clause 11.1; or
- (f) in respect of any expendable parts (including without limitation, fuses, pilot lamps, drive belts, filters, heads and other parts classified as expendable by Taalus) that are regularly replaced due to normal use.

10.4 Any repaired or replaced Goods shall be redelivered to the Customer free of charge to the original point of delivery but otherwise in accordance with and subject to these Conditions.

10.5 Alternatively to Condition 11.1 Taalus shall be entitled at its absolute discretion on return of the defective Goods to Taalus (at Taalus' request) to refund the price of the defective Goods in the event that such price shall already have been paid by the Customer to Taalus, or, if such price has not been paid, to relieve the Customer of all obligation to pay the sum by the issue of a credit note in favour of the Customer in the amount of such price.

10.6 In respect of all Goods supplied to Taalus by a third party supplier, Taalus will on request pass on to the Customer (in so far as reasonably possible) the benefit of any warranty given to Taalus by such third party supplier and will (on request) supply to the Customer details of the terms and conditions of such warranty and copies of any relevant product information sheets, technical data sheets or product leaflets issued by such third party supplier and the Customer shall be solely responsible to the entire exclusion of Taalus for complying with the same.

10.7 For the purposes of Condition 11.1, references to Goods shall be deemed to exclude software.

10.8 The Customer acknowledges that software in general is not error-free and agrees that the existence of such non-material errors in any software provided by Taalus to the Customer shall not constitute a breach of this Contract.

10.9 In the event that the Customer discovers a material error which results in any software provided by Taalus not performing substantially in accordance with its supplied documentation, and notifies Taalus of the error within 90 days from the date of Taalus making available the respective software to the Customer (the "warranty period") Taalus shall at its sole option either refund the price which the Customer has paid to Taalus (or if such price has not been paid, relieve the Customer of all obligations to pay the sum) in respect of the respective software or use reasonable endeavours to obtain replacement software from Taalus' supplier of that software which does not so comply provided that such non-compliance has not been caused by any modification, variation or addition to the software not performed by Taalus or caused by its incorrect use, abuse or corruption of the software by use of the software with other software or on equipment with which it is incompatible.

10.10 The Customer is solely responsible for virus scanning the software which it receives from Taalus pursuant to the Contract.

10.11 Taalus warrants that it will use reasonable skill and care in providing the Services to the Customer.

10.12 To the extent permitted by English law, Taalus disclaims all other warranties to the maximum extent permitted by law, with respect to the Goods and Services which it provides pursuant to the Contract, either express or implied, including but not limited to any implied warranties of satisfactory quality or fitness for any particular purpose.

11 Seller's Liability

11.1 Taalus shall in no circumstances have any liability to the Customer:

(a) for any direct economic loss (save as expressly provided in these Conditions) or for any indirect or consequential loss, or for loss of profits, future revenue, reputation, goodwill or anticipated savings or damage (whether arising under contract, in tort (including but not limited to negligence) or otherwise) of the Customer or for any liability of the Customer to

any other person for any economic loss, claim for damages or awards howsoever arising;
or

(b) for and to the extent that any Goods were adjusted or altered by anyone other than Taalus or without Taalus' prior consent in Writing or were used other than in strict accordance with Taalus' instructions; or

(c) any loss or damage which the Customer may suffer whether in contract, tort (including but not limited to negligence) or for breach of statutory duty or otherwise whatsoever save as otherwise provided in these Conditions.

11.2 The Seller's liability for any physical damage to the premises or any other tangible property of the Customer resulting from the negligence of Taalus shall be subject to the limitations set out in Condition 12.3(c) below.

11.3 (a) In the event that, notwithstanding the provisions of Condition 12.1, Taalus is found liable for any loss or damage suffered by the Customer, Taalus' liability for each claim shall in no event exceed the price of the Goods and/or Services in respect of which the Customer suffered or incurred such loss or damage.

(b) It should be noted that the liability which Taalus assumes pursuant to Condition 11.3(a) is subject to the fact that where any one event or series of two or more connected events gives rise to more than one claim that limit shall apply to all such claims as though they were a single claim.

(c) Taalus limits its liability in respect of any physical damage to the Customer's premises or any other tangible property of the Customer resulting from the negligence of Taalus, to £10 million.

11.4 All Goods sold by Taalus (other than software) are supplied with the benefit of the terms implied by section 12 of the Sale of Goods Act 1979. Subject thereto all other conditions, warranties and other terms express or implied, statutory or otherwise are expressly excluded to the maximum extent permitted by law, save insofar as contained in these Conditions or as otherwise expressly agreed by Taalus in Writing.

11.5 The price of the Goods and Services has been calculated on the basis that Taalus will exclude or limit its liability as set out in these Conditions and the Customer by placing an order agrees and warrants that the Customer shall insure against or bear itself any loss for which Taalus has excluded or limited its liability in these Conditions; and Taalus shall have no further liability to the Customer.

11.6 The Customer shall not be entitled to rely on and Taalus excludes all liability (howsoever occurring) for any oral statement or representations made by Taalus' employees, agents or servants whether before or after the date of the Contract save to the extent such statement or representation was made fraudulently.

11.7 Nothing in these Conditions shall exclude or restrict Taalus' liability in respect of death or personal injury caused by its negligence, or for any other liability which may not be lawfully limited or excluded by law.

12 Force Majeure

12.1 Taalus shall not be liable to the Customer or be deemed to be in breach of the Contract by reason of any delay in performing, or failure to perform any of Taalus' obligations relating to the Goods and/or Services if the delay or failure was caused by any event beyond Taalus' reasonable control including without limitation the causes listed in Condition 12.2 below and shall be entitled at its option (to be notified in Writing to the Customer) either to cancel any Contract to which these Conditions apply or, without any liability to the Customer, to extend the time or times for delivery or otherwise performing such Contract by a period at least equivalent to that during which such delivery or performance has been prevented or delayed by any such cause.

12.2 For the purposes of Condition 13.1, events beyond Taalus' reasonable control include without limitation acts of God, explosion, fire, flood, tempest or accident, war, sabotage, terrorism, insurrection, civil disturbance or requisition or threats of the same, acts, restrictions, regulations, by-laws, prohibitions or measures of any kind on the part of any government, parliamentary or local authority, import or export regulations or embargoes or sanctions, strikes, lock-outs or other industrial actions or trade disputes (whether involving Taalus' employees or those of a third party), difficulties in obtaining raw materials, labour, fuel, transport, parts or machinery, power failure or breakdown in machinery, defaults of suppliers to Taalus.

13 Confidentiality

13.1 The Customer shall keep and procure to be kept secret and confidential the Contract and all Confidential Information belonging to Taalus disclosed or obtained as a result of the relationship of the parties under the Contract and shall not use nor disclose the same save for the purposes of the proper performance of the Contract or with the prior written consent of Taalus. Where disclosure is made to any employee, consultant or agent, it shall be done subject to obligations equivalent to those set out in this Condition. The Customer shall procure that any such employee, consultant or agent complies with such obligations. The Customer shall be responsible to Taalus in respect of any disclosure or use of such Confidential Information by a person to whom disclosure is made.

13.2 The obligations of confidentiality in this Condition 14 shall not extend to any matter which the Customer can show:

- (a) is in, or has become part of, the public domain other than as a result of a breach of the obligations of confidentiality under these Conditions; or
- (b) was in its written records prior to the date the Customer entered into the Contract; or
- (c) was independently disclosed to it by a third party entitled to disclose the same; or
- (d) is required to be disclosed under any applicable law, or by order of a court or governmental body or authority of competent jurisdiction.

13.3 The Customer shall immediately upon receipt of a request in Writing from Taalus to do so, deliver up to Taalus or destroy all Confidential Information in Writing (including any copies, analyses, memorandum or other notes on or concerning the Confidential Information made by the Customer or in the Customer's possession or under the Customer's custody and control) and so far as is practicable to do so, expunge any Confidential Information from any computer, word processor or other device in the Customer's possession or under the Customer's custody and control.

14 General

14.1 The Customer may not assign or transfer or purport to assign or transfer any of its rights or sub-contract any of its obligations under the Contract to any other person whatsoever. Taalus shall be freely entitled to assign the Contract or part thereof and to sub-contract any of its obligations under the Contract to any third party.

14.2 No person who is not a party to the Contract (including without limitation any employee, officer, agent, representative or sub-contractor of either party) shall have a right to enforce any term of the Contract which expressly or by implication confers a benefit on that person without the express prior agreement in writing of the parties which agreement must refer to this Condition 14.2.

14.3 Even if a person who is not a party to the Contract (including without limitation, any employee, officer, agent representative or sub-contractor of either party) has a right to

enforce any term of the Contract by virtue of any law the parties may vary or cancel the Contract by agreement between them without requiring the consent of such third party.

14.4 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

14.5 No waiver by Taalus of any breach of the Contract by the Customer shall be considered as a waiver of any subsequent breach of the same or any other provision.

14.6 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provisions in question shall not be affected thereby.

14.7 The Contract shall be governed by and be construed in all respects in accordance with English law and the Customer and Taalus both hereby irrevocably agree to submit to the exclusive jurisdiction of the English Courts.

15 Non-solicitation of Staff

15.1 The Customer undertakes with Taalus that during the term of the Contract and for the period of 1 year after its termination, it shall not:

- (a) make any offer of employment or enter into any discussion or negotiations with a view to making any offer of employment to any person employed by Taalus or any associated company of Taalus at any time during the period of the Contract and with whom it has had personal contact or dealing ("Employee");
- (b) solicit or attempt to solicit services from any Employee on its own account;
- (c) have business dealings with or attempt to have business dealings with any Employee (other than pursuant to the Contract); or
- (d) entice or attempt to entice any Employee away from the Taalus or any associated company of Taalus.

15.2 The Customer shall pay liquidated damages to Taalus if it breaches its undertaking given in Condition 15.1, the amount of such liquidated damages being calculated in accordance with Condition 15.3.

15.3 The amount of liquidated damages payable pursuant to Condition 15.2 shall be a sum equal to the gross salary of the Employee in question for the 12 month period during which the said breach of undertaking occurs and for the avoidance of doubt the parties agree that the liquidated damages referred to in this Condition 15 are a genuine pre-estimate of the loss that Taalus or its associated company may suffer as a result of the Customer breaching its undertaking given in Condition

15.1.

16 Customer's Obligations

16.1 The Customer will provide at no charge to Taalus any information or data required by Taalus' maintenance personnel where these are required by Taalus to enable it to comply with its obligations under these Conditions.

16.2 The Customer will:

- (a) ensure that the Goods are used in a proper and skilful manner by competent and trained employees only in accordance with best computing practice and in accordance with these Conditions;
- (b) at all times comply with Taalus' instructions and advice in relation to the use of the Goods;
- (c) keep full security and backup copies of its software and of its databases and computer records in accordance with best computing practice;

- (d) not permit, request or authorise anyone other than Taalus to provide any maintenance or support services in respect of the Goods;
- (e) allow Taalus' personnel full and free access to the Site at all times together with adequate working space and facilities, (including, without limitation, heat, light, ventilation, electric current and outlets, computer runs, data preparation, office accommodation, printouts, typing and photocopying) to enable Taalus to carry out its obligations hereunder;
- (f) provide such telecommunications facilities as are reasonably required by Taalus for testing and diagnostic purposes at the Customer's expense;
- (g) ensure that in the interests of health and safety Taalus' personnel, while on the Customer's premises for the purposes of these Conditions, are at all times accompanied by a member of the Customer's staff familiar with the Customer's premises and safety procedures.

67.3 The Customer shall at its own expense prepare the Site for installation (where Taalus has agreed to install the Goods) in accordance with Taalus' reasonable instructions. Taalus reserves the right to refuse to deliver and/or install the Goods where in its reasonable opinion the Site has not been prepared in accordance with such instructions.

17 Maintenance Services

Taalus will provide the hardware maintenance services specified on the Purchase Form to the Customer.

18 Scope of Maintenance Services

18.1 Taalus is not obliged to provide any hardware services if the need for such services is wholly or partly attributable to:

- (a) electrical work external to the hardware or interconnecting cabling;
- (b) maintenance of accessories, attachments, machines or other devices not supplied by Taalus nor listed in the Purchase Form;
- (c) maintenance of parts deemed consumable by the relevant manufacturer;
- (d) repair of damage arising from:
 - (i) transportation or relocation of the hardware not performed by Taalus;
 - (ii) failure of electrical power, air conditioning or humidity control;
 - (iii) changes, alterations or additions not performed by Taalus;
 - (iv) operator error or omission;
- (e) maintenance rendered more difficult because of changes, alterations or additions not performed by Taalus;
- (f) attendance to faults caused by operating the hardware outside design specifications or outside any documentation or manuals supplied with the hardware;
- (g) cleaning, refinishing or touching-up; specification changes, addition/removal of accessories, attachments and other devices;
- (h) repair of any malfunction due to radiation in the environment of the hardware;
- (i) diagnosis and/or rectification of problems not associated with the hardware;
- (j) diagnosis and/or rectification of problems arising from the operating environment;
- (k) workshop overhaul or repair of hardware which, as a result of fair wear and tear, can no longer be maintained in good working order. For such items Taalus will upon request by the Customer submit a cost estimate of the work required. In the event that the Customer does not authorise the work to be carried out, the item or items concerned may be removed from the scope of the Services and such removal will be confirmed in writing by an authorised signatory of Taalus;
- (l) refusal, difficulty or inability of Taalus to obtain access to the hardware for the performance of its obligations hereunder;

however, if Taalus decides to provide hardware maintenance services to the Customer in relation to any of the situations referred to in this Condition 19, then Taalus shall be entitled to impose an additional charge on the Customer for such services at its then standard rates.

19 Alterations and Additions

Alterations and additions to or in connection with any of the hardware which Taalus has supplied or which Taalus is obliged to maintain, may only be carried out by Taalus and no liability whatsoever shall be accepted by Taalus for any alterations or additions carried out in contravention of this Condition nor for any effect such alterations or additions may have on the hardware.

20 Site

The Customer agrees that it will not for the duration that Taalus is providing the Customer with the Service in respect of such Goods, move the Goods from the Site without the prior written consent of Taalus, such consent not to be unreasonably withheld.

21 Pre-service Inspection

If the Customer wants any pre-existing Equipment to be maintained by Taalus, and therefore included within the scope of the Service, then Taalus reserves the right to inspect the Equipment and either cancel the Contract in relation to such Equipment if Taalus believes that it is not commercially feasible for it to maintain such equipment, or alternatively, Taalus may renew, repair and/or refurbish all worn or damaged parts of the Equipment prior to commencing the Service in respect of such Equipment. All charges for labour, travel and parts pursuant to this clause will be invoiced to the Customer at Taalus' standard rates.

22 Exclusions

The Agreement excludes from cover and service provision either by on-site visit or supply under the Contact all parts deemed consumable by the Manufacturer, examples being toner, developer, thermal ribbons, fuser oil, oil rollers, waste toner collection units, wax, cap wipes; all parts with a life cycle, examples being optical photo conductor (OPC), fuser assembly, fuser roller, fuser lamp, service station, pickup rollers, feed rollers, cutting blades; all print heads examples being dot-matrix heads, thermal heads, print modules, carriage assemblies, hammers, actuators, frets, combs; scanner technology excludes any items deemed consumable by the manufacturer in addition to lamp assemblies and pickup and feed rollers. All interconnecting cabling is excluded.

23 Customer Cancellation

Following the initial period of 12 months, or the agreed pro rata period in full, the Agreement can be cancelled at any time by the Customer. Cancellation must be in Writing to Taalus confirming the cessation, Taalus will confirm the final termination date of the of the Agreement. Should a multi year Agreement be in place then a 90-day period of cancellation will apply. Any request for credit notes will be subject to the 90-day period of cancellation.

Appendix 1 – Terms relating to Installation and Project work.

23. Health & Safety

23.1 Upon request, Taalus will submit a copy of its Health & Safety policy to the Client prior to the commencement of work, and work will be carried out according to this. Where the client wishes Taalus to observe their own Health & Safety regulations, this should be notified in writing a minimum of 2 weeks prior to the commencement of any services, as well as providing a copy of the client's own policies. Taalus reserves the right to amend the details of the quotation to take into account any additional works necessitated or expenses incurred by Taalus, following receipt of the client's Health & Safety Policy.

24.1 All quotations are provided on the assumption that works will be carried out in premises free from asbestos or any other deleterious substances or materials. Taalus require to be notified prior to the acceptance of any quotation of the existence of any such substances or materials at the premises at which the works are to be undertaken. If such substances are present, Taalus reserves the right to amend the details of the quotation to take into account any additional works necessitated or expenses incurred by Taalus as a result of the presence of such substances or materials. The clearance or decontamination of such substances shall be carried out at no cost to Taalus.

25. CDM Regulations

25.1 Where Taalus believes the goods or services to be performed fall under the CDM Regulations, Taalus will inform the client. It is then the responsibility of the client to determine whether these regulations apply, to appoint a Planning Supervisor (as defined in the CDM Regulations), and to ensure the legislation is enforced.

25.2 In the event that Taalus' role is defined by the Client as Principal Contractor or Contractor (as defined by the CDM Regulations), Taalus will carry out the obligations of the Principal Contractor under the CDM Regulations, including but not restricted to production of Risk Assessment and Method Statement, and provision of Health & Safety Policy. In these circumstances Taalus reserves the right to amend the details of the quotation to take into account any additional project management work undertaken by Taalus.

26. Asbestos Regulations

It is the Client's responsibility to ensure that they have complied with all aspects of the Asbestos Regulations on all premises where Services are to be carried out.

27. Change Control

27.1 If either party wishes to request any changes to the Agreement and/or Services such changes will only be made and implemented by agreement of the parties in accordance with the Change Control procedure detailed below.

27.2 Either party may at any time during this Agreement request in writing any changes to this Agreement or the Services.

27.3 Within a reasonable time of receiving such a request, but in any event within 5 working days, the party receiving such a request will inform the other party in writing whether any requested change is technically feasible and advise as to its impact, cost, resource requirement and any other consequent change and any agreed timescale for its implementation and completion. For any change requiring additional work Taalus will give

the Client a written fixed price quotation or its reasonable estimate for doing that work on a time and materials basis. Where standard variation prices have been given within the Specification, these will be used on the basis that the assumptions made within that document are met.

27.4 If the parties agree to proceed with the changes then the Agreement and/or Services will be modified to take account of the changes and the details of such changes will be recorded in writing on a Taalus project Change Control Form signed by both parties.

27.5 The client must, prior to commencement of any services, inform Taalus of the names of responsible parties within their organisation that have authority to sign Change Control Forms. Taalus will accept the signature of these responsible parties as the sole authority required to proceed with chargeable works.

27.6 For the avoidance of doubt, any postponement, reduction or cancellation of the Services by the Client will constitute a breach of this Agreement unless such postponement, reduction or cancellation was agreed with Taalus in accordance with the Change Control procedure set out in this Section 11, and Taalus shall be entitled to charge the client for its reasonable costs incurred including wasted time of consultants and other personnel.

27.7 All agreed changes will be invoiced at the time of completion of the work or the end of the calendar month they occurred in. A separate invoice will be raised for each Change, to be accompanied by the relevant Change Control Form.