

## TIPAC Terms & Conditions

1. Independent Print Audit Ltd (TIPAC) agrees to sell or supply or cause to be supplied and the Purchaser agrees to purchase the equipment and/or the right to use the software and/or the services (such equipment right or services being hereinafter called "the Solution") upon the terms and conditions hereinafter contained and (in the case of a purchase of the right to use software) subject to the terms of the license that will accompany the software a copy of which license is available upon request.

2. The price for the Solution shall be either the price specified on TIPAC Sales Order which price is the current price charged by TIPAC on the date thereof for the Solution or such price as shall be the current list price of TIPAC for the Solution on the date of delivery thereof to or to the order of the Purchaser whichever shall be higher together (where applicable) with Value Added Tax thereon.

3. (a) TIPAC shall deliver or supply the Solution to the address specified on the TIPAC Sales Order and in addition to the purchase price tipac shall be entitled to charge its normal delivery charge or charges details of which are available upon request.

(b) TIPAC shall Endeavour to deliver or supply the Solution on the date specified on the TIPAC Sales Order but time shall not be of the essence in respect of such delivery or supply and tipac shall not under any circumstances be liable for any delay or for any consequence of any delay in the delivery or supply of the Solution and if any such delay shall occur unless the cause thereof shall render impossible or illegal the performance of the Contract (whereupon the Contract shall be at an end) tipac' period for performing its obligations shall be extended by such period (not limited to the length of the delay) as TIPAC may require to complete the performance of its obligations there under.

(c) If in the opinion of TIPAC part of the Solution the subject of the TIPAC Sales Order is capable of being used by the Purchaser independently of other parts of the Solution then TIPAC shall be entitled to deliver or supply and be paid for part of the Solution without waiting for the whole to be available.

4. (a) TIPAC shall not be responsible for the installation or commissioning of the Solution unless so specified in the TIPAC Sales Order.

(b) If TIPAC shall agree to install or commission the Solution then the Purchaser shall at its own expense prior to the anticipated delivery date prepare a site for the Solution such site conforming in all respects with the requirements of TIPAC in respect of such sites and the Purchaser indemnifies tipac against all and any liability resulting directly or indirectly from the failure of the Purchaser to comply with such requirements.

5. (a) Save as expressly hereinafter provided the right to use any software and or property in any equipment forming part of the Solution shall not pass to the Purchaser until TIPAC shall be paid in full in respect of the whole of the Solution in accordance with these terms and conditions and the Purchaser shall not be entitled to incorporate any such equipment into any larger assembly or connect such equipment with any other thing until

TIPAC has been paid in full as aforesaid provided that if such connection or incorporation is made then property in the whole of such equipment shall remain with TIPAC.

(b) If the Purchaser in the ordinary course of business sell by bonafide sale any such equipment before payment in full has been made to TIPAC then the purchase monies shall forthwith become payable to tipac and tipac shall be entitled to trace the proceeds of such sale into the hands of the Purchaser and the Purchaser shall hold such proceeds of sale upon trust for TIPAC.

(c) For so long as the property in any such equipment or the right to use software remains in TIPAC then TIPAC shall have the right by its servants and agents to enter upon any premises where the equipment or software is stored whether by breaking locks or otherwise and take possession thereof and subsequently dispose of all or any part of the Solution so recovered.

(d) Nothing in this agreement shall entitle the Purchaser to return the Solution or any part thereof to TIPAC and TIPAC shall be entitled to maintain an action for the price of the Solution notwithstanding the property in the Solution or any equipment forming part thereof may not have passed to the Purchaser.

(e) Risk in the Solution and each part thereof shall pass to the Purchaser upon departure thereof from TIPAC' premises and the Purchaser shall effect all such insurances as may be prudent.

(f) The unenforceability of any part of this clause shall not affect the enforceability of the remainder thereof.

6. (a) Save as hereinafter provided payment for the Solution and all delivery and installation charges shall become due and payable to TIPAC on the thirtieth day after delivery or supply of the Solution as provided in the Sales Order and if all such monies are not paid as aforesaid then the Purchaser shall also pay to TIPAC interest at the rate of five per cent above HSBC Bank Plc base rate from time to time both before and at the election of FONTWARE after any judgment and moreover if payment in full (including interest) is not made within thirty days as aforesaid then TIPAC shall be entitled without notice to enter upon any premises where the Solution or any part thereof may be and recover possession thereof and subsequently dispose of any part of the Solution recovered and shall be entitled to be reimbursed and the costs of obtaining possession as aforesaid and its loss of profit and further if at any time the Purchaser is liable to pay interest to TIPAC under the provisions hereof then TIPAC shall be entitled to suspend performance of or cancel any other contract between TIPAC and the Purchaser.

(b) All monies payable hereunder shall immediately become due and payable if the Purchaser shall make any default under the Contract or under any other contract with TIPAC or if any act shall be committed or proceedings commenced relating to or in connection with the solvency of the Purchaser.

(c) Time shall be of the essence in respect of payment of all monies hereunder.

7. (a) TIPAC warrants where appropriate that the Solution is free of defects caused by faulty materials or poor workmanship but the Purchaser hereby agrees with TIPAC that it has inspected the Solution and buys the same as a result of such inspection and agrees that the descriptions illustrations specifications drawings and all other materials contained in or referred to in any catalogue price list brochures leaflet or other descriptive matter produced or distributed by TIPAC merely represents the general nature of the Solution described therein but such descriptions illustrations specifications drawings and other material do not form part of the Contract and the Purchaser agrees that it has not entered into the Contract upon the basis of any such representation but has satisfied itself as to the suitability of the Solution for the purpose for which the Purchaser intends it to be used.

(b) The Purchaser hereby agrees with TIPAC that TIPAC shall have the right from time to time whether before or after the date hereof to alter the specification of the Solution or any part thereof without giving notice thereof to the Purchaser provided that such change shall not adversely affect the performance of the Solution and for the avoidance of doubt it is hereby agreed and declared that the sale and purchase shall not be a sale and purchase by sample.

(c) TIPAC shall not be under any liability in respect of any faulty material or poor workmanship unless:

(i) TIPAC is notified of such defects in writing within seven days of delivery or supply of the Solution as provided in the Sales Order and

(ii) The defective part of the Solutions is returned at the expense of the Purchaser to TIPAC or to such person as TIPAC may reasonably direct within twenty eight days from the date of delivery of or supply of the Solutions or the relevant part thereof as aforesaid and

(iii) TIPAC is satisfied upon examination that the defect has not been caused by misuse neglect repair alteration or accident.

(d) The liability of TIPAC under the contract shall be limited to the replacement or repair of the Solution or part thereof or (at the option of (TIPAC) the refund of any monies paid by the Purchaser in respect of the Solution or a fair proportion thereof if only part of the Solution shall be defective.

(e) The Purchaser shall pay to TIPAC the amount of the cost (as certified by TIPAC) of any tests of the Solution returned by the Purchaser to TIPAC for examination together with the cost of returning such equipment to the Purchaser if upon examination it shall be determined that TIPAC is not liable in respect of any defect in the Solution.

(f) The benefit of this warranty shall apply only to the Purchaser.

8. TIPAC shall not be liable to the Purchaser if it shall be prevented from performing any of its obligations under the Contract by reason of any cause beyond its reasonable control including (without limitation to the generality of

the foregoing) acts of God war insurrection riot civil commotion government regulations embargo explosions strikes labor disputes flood fire or tempest.

9. (a) If any action or proceeding is brought against the Purchaser for alleged infringement of any United Kingdom letters patent registered design trade mark or copyright by the Solution or any part thereof supplied here under or any allegation of such infringement is made and the Purchaser gives TIPAC (at TIPAC expense) all information assistance and authority required for those purposes does not by any act (including any admission or acknowledgement) or omission prejudice the conduct of such defense then:-

(i) TIPAC will at its own election either effect any settlement or compromise which it deems reasonable or at its own expense defend such action or proceeding and

(ii) TIPAC will pay the cost of any settlement or compromise effected by TIPAC of all damages and costs awarded against the Purchaser in any such action or proceeding and

(iii) If the Solution or any part thereof is in such action or proceeding held to constitute infringement and is the subject of an injunction restraining its use or any order providing for its delivery up or destruction TIPAC shall at its own election and expense either:-

(i) Procure for the Purchaser the right to retain and continue to use the Solution or part thereof or

(ii) Modify the Solution or parts thereof so that it becomes not infringing or

(iii) Remove part of the Solution or any part thereof which is not essential to the operation of the whole Solution granting the Purchaser a credit therefore not exceeding the written down value of the asset for income or corporation tax purposes

(b) TIPAC shall not be under any of the obligations specified in sub-clause (a) hereof in either of the following events:-

(i) Any infringement or allegation thereof based upon the use of the Solution or parts thereof in combination with equipment or other devices not made nor supplied by TIPAC or if the infringement or allegation thereof is based upon the use of the Solution or parts thereof with any matter or in any manner for which the Solution was not designed or

(ii) The Purchaser entering into any compromise or settlement in respect of any such action or proceeding without TIPAC prior written consent.

(c) The Purchaser covenants with TIPAC that it shall give immediate notice to TIPAC of any alleged infringement as aforesaid and of any information that it may receive in respect of any infringement of any patent registered design trade mark, copyright or other intellectual property right enjoyed by TIPAC or by the manufacturer or supplier of the Solution or any part thereof.

(d) The Purchaser warrants that any design or instruction furnished or given by it does not infringe any patent registered trade mark or copyright or any other such right or interest.

10. (a) TIPAC shall not be liable for any loss, injury or damage or for any consequence of any such loss or otherwise arising out of any cause whatsoever beyond TIPAC reasonable control or (except as provided in any maintenance agreement) in respect of or consequent upon any malfunctioning of or defect in or failure of the Solution or any part thereof or for any loss to the use of the Solution and (in the absence of negligence on the part of TIPAC in installation) any delay in commissioning of the Solution by TIPAC and TIPAC will not under any circumstances whatsoever be liable for any consequential loss or damage howsoever caused.

(b) TIPAC shall not be liable for and the Purchaser shall indemnify and hold TIPAC harmless against any claim by or loss of or damage to any person or property directly or indirectly occasioned by or arising from the use or operation (other than TIPAC) or possession of any part of the Solution and from negligence (including the use of any part of the equipment otherwise than in accordance with TIPAC operating instructions and manuals) or default (including any non-compliance with any obligation of the Contract any delay any wrong information and any lack of required information) or misuse by or on the part of the Purchaser or any person or persons other than TIPAC and this indemnity shall extend to any costs and expenses incurred by TIPAC and shall continue in force notwithstanding the termination of the Contract.

11. (a) Until the expiry of the warranty period specified herein or until the Purchaser shall have paid in full all monies due hereunder whichever shall be the later:

(i) TIPAC' representative shall have full and free right of access to the Solution.

(ii) The Purchaser shall not permit persons other than authorized representatives of TIPAC to effect any replacement of parts maintenance adjustments or repairs to the Solution.

(iii) The Purchaser shall properly maintain the installation facilities for the Solution in accordance with TIPAC' recommendations.

(iv) The Purchaser shall use with the Solution only such operating supplies as meet TIPAC' specifications.

(v) The Purchaser shall not permit the operation of any part of the Solution by any person other than operators competent or conversant with the Solution and the Purchaser shall not permit any addition or attachment to or movement to any item of part of the Solution or assign or transfer any of its interest under the Contract.

(b) The Purchaser shall not lend lease sell dispose of or otherwise part with the possession of all or any part of the Solution other than in the form in which the same is supplied to the Purchaser and shall not break down the

Solution or any part thereof or any component thereof into any other machine or Solution without the consent of TIPAC.

12. It is agreed between the parties that in the event of the Purchaser repudiating this agreement before delivery of or supply of the Solution and having no legally enforceable right to do so there shall at the election of TIPAC be payable by the Purchaser to TIPAC in the form of agreed liquidated damages for breach of contract whichever shall be the greater of fifteen per cent of the total price of the Solution and such sum as represents the value of the time spent by TIPAC' employees before TIPAC receives notice of repudiation under and in connection with the Contract and with any associated contract and any payment due under this clause shall be payable within thirty days of such repudiation and if not paid within such period as aforesaid the Purchaser shall in addition pay interest at the rate of two percent per month after as well as before any Judgment.

13. The Purchaser agrees that certain restrictions may from time to time be imposed by governmental or other authorities having competent jurisdiction in regard to the sale or other disposal or movement of equipment or the provision of technical data in relation to such equipment thereby for reasons of national security and strategic considerations the written authorization of the authorities must be obtained before any equipment or technical data is exported or released and the Purchaser covenants with TIPAC that it shall not export any equipment Solution or technical data supplied by TIPAC outside the United Kingdom without the consent of TIPAC such consent not to be withheld save on the grounds of restrictions imposed as aforesaid by governmental or other authorities having competent jurisdiction.

14. This agreement shall in all respects be governed by and construed in accordance with the provisions of English Law and the Contract shall be deemed to have been made in England.

15. (a) The Sales Order and these terms and conditions contain the entire agreement between TIPAC and the Purchaser and no variation hereof shall be effective save under the hand of a Director of TIPAC and these terms and conditions shall have effect notwithstanding any contrary or inconsistent provision in any order form or other document not prepared by TIPAC.

(b) All notices required to be given hereunder shall be given by written notice personally delivered or by fax or by first class recorded delivery mailed to the address of the party as stated in the Sales Order or to such address as either party may from time to time notify to the other in writing and such notice shall be deemed to have been given immediately on personal delivery of the notice or on dispatch of the telex or within forty eight hours of the dispatch of a recorded delivery letter and the words "in writing" or "written" whichever is contained in this agreement shall be deemed to include any notification sent by fax or letter.