

SDT Limited - Supplementary terms for the sale, loan and rental of Equipment

SDT shall sell, loan or rent Equipment to the Customer on the terms and conditions set out in SDT's Master Terms and the terms and conditions of this Supplement. All definitions set out in the Master Terms shall, unless otherwise specified below, have the same meaning when used in this Supplement.

1. SUPPLEMENTARY DEFINITIONS

1.1 In this Supplement, the following definitions shall apply:

'Loaned Equipment' means Equipment that is loaned to the Customer by SDT to enable Services to be provided to the Customer under the terms of an additional Supplement;

'Minimum Notice Period' means the minimum number of days' notice required to terminate this Agreement with respect to any Rented Equipment, as set out on the Order;

'Rented Equipment' means Equipment that is rented to the Customer by SDT to enable Services to be provided to the Customer under the terms of an additional Supplement.

2. TERM

2.1 Where the terms of this Supplement apply to the sale of Equipment, this Agreement will be deemed to come into effect on the Commencement Date set out on the Order and shall run until the expiry of the warranty period set out therein.

2.2 Where the terms of this Supplement apply to Rented Equipment or Loaned Equipment in conjunction with the terms of an additional Supplement, this Agreement will be deemed effective on the Commencement Date set out on the Order and shall run until the termination of such additional Supplement.

3. RENTAL AND LOAN OF EQUIPMENT

3.1 SDT may provide Rented Equipment or Loaned Equipment to the Customer. The provisions of this clause 3 shall only apply to Rented Equipment or Loaned Equipment.

3.2 If SDT provides Loaned Equipment to the Customer, all of the provisions of this clause 3 (save for clause 3.3) shall apply.

3.3 If SDT provides Rented Equipment to the Customer, the Customer agrees that:

- (a) The rental Charges, Minimum Term and Billing Period shall be as set out on the relevant Order for additional Services;
 - (b) If the Customer terminates this Agreement for the provision of Rented Equipment at convenience prior to the end of the Minimum Term or any subsequent Additional Term other than in accordance with the Minimum Notice Period, the Customer shall be liable for the rental Charges payable for the remainder of the Minimum Term or Additional Term as appropriate, in addition to any charges for the removal of the Rented Equipment;
 - (c) If SDT terminates this Agreement for the provision of Rented Equipment due to the Customer's unremedied breach thereof prior to the end of the Minimum Term or any subsequent Additional Term, the Customer shall be liable for the rental Charges payable for the remainder of the Minimum Term or Additional Term as appropriate, in addition to any charges for the removal of the Rented Equipment.
- 3.4 All Rented Equipment and Loaned Equipment shall at all times remain the property of SDT.
- 3.5 Without prejudice to any of its other rights, SDT may recover or resell the Rented Equipment or Loaned Equipment supplied and its servants or agents may enter upon the Customer's premises for that purpose if any of the provisions of clause 11.1 of the Master Terms are exercised by SDT or SDT has reasonable grounds to believe that its interest in the Rented Equipment or Loaned Equipment is or is likely to be in jeopardy.
- 3.6 In the event of a malfunction of the Loaned Equipment or Rented Equipment, SDT shall at its sole discretion either repair the defective Equipment or replace the defective Equipment with equipment of equal or greater functional specification.
- 3.7 The Customer undertakes to:
- (a) Only use the Rented Equipment or Loaned Equipment in conjunction with the Services for which it has been provided;
 - (b) Store the Rented Equipment or Loaned Equipment in a manner that makes it readily identifiable as the Rented Equipment or Loaned Equipment;
 - (c) Keep the Rented Equipment or Loaned Equipment properly insured for not less than its list price;
 - (d) Obtain and pay for all necessary licences, consents and approvals required for the installation and operation of the Rented Equipment or Loaned Equipment;
 - (e) Notify SDT promptly of any faults in, loss of or damage to the Rented Equipment or Loaned Equipment;
 - (f) Pay SDT by way of liquidated damages the list price for the Rented Equipment or Loaned Equipment and any additional losses incurred by SDT in the event of loss of or damage to the Rented Equipment or Loaned Equipment, howsoever caused, save to the extent (if any) that such loss or damage is caused by SDT, its employees or subcontractors.

- 3.8 The Customer undertakes not to:
- (a) Pledge the Rented Equipment, Loaned Equipment or documents to title thereon, or allow any credit to arise thereon;
 - (b) Dispose of the Rented Equipment, Loaned Equipment or documents of title thereon or any interest therein; or
 - (c) Hold itself out as SDT's agent in respect of the Rented Equipment or Loaned Equipment; or
 - (d) Repair, modify or otherwise maintain, or allow any other party to do same to the Rented Equipment or Loaned Equipment.
- 3.9 On termination of this Agreement, howsoever occasioned the Customer shall:
- (a) Return the Rented Equipment or Loaned Equipment to SDT in good condition, subject to reasonable wear and tear; and
 - (b) Remain liable for the Rented Equipment or Loaned Equipment until such time as it has been delivered to SDT.
- 3.10 If the Rented Equipment or Loaned Equipment is not returned to SDT or is returned damaged, SDT shall be entitled to charge the Customer, by way of liquidated damages, the list price for the Rented Equipment or Loaned Equipment and to charge the Customer for any additional losses incurred by SDT.
- 3.11 The Customer shall return any Loaned Equipment to SDT within 30 days of any request by SDT to return such Loaned Equipment.

4. CHARGES

- 4.1 The Charges for the Equipment (and the rental Charges for any Rented Equipment) shall be as set out in the Order, subject to the provisions of clause 4.2 hereof.
- 4.2 SDT shall at any time be entitled to increase the Charges for the Equipment or the Rented Equipment set out in the Order:
- (a) Should the Customer alter its specification or instructions after the date of the Order or SDT otherwise has to alter, modify or otherwise carry out work on any Equipment;
 - (b) Should there be any increase in the cost to SDT of purchasing any Equipment or materials by reason of any foreign currency fluctuations, alterations in any taxes or duties, variations in the cost of SDT's materials or components or labour or transport or by reason of any other cause whatsoever beyond the reasonable control of SDT.

- 4.3 All prices quoted by SDT are ex-works and are exclusive of Value Added Tax and other taxes, duties and other impositions and the Customer shall pay all taxes, duties and other government charges in respect of the Equipment or Rented Equipment at the rate ruling at the tax point, together with transport costs for delivery of the Equipment to the Customer.

5. PAYMENT

- 5.1 Payment for Equipment sold by SDT is due within thirty days of the date of SDT's invoice, except that if a different period is set out on SDT's invoice payment shall be due within such period so set out.
- 5.2 SDT shall be entitled, at its sole discretion, to request payment for Equipment sold by SDT prior to the despatch of such Equipment to the Customer.
- 5.3 If SDT allows provisional credit or extends credit in respect of any part of the Equipment, it shall be without prejudice to its right to refuse to give up possession of any other part of the Equipment except against payment.
- 5.4 Where the Equipment is to be supplied or payment therefor is to be made by instalments, the failure of the Customer to pay any instalment on time shall entitle SDT to treat such failure as a repudiation of the entire contract with the Customer and to recover damages incurred as a result of said breach of contract.
- 5.5 If payment is overdue in whole or in part then the whole of any amounts outstanding to SDT shall immediately become payable whether or not such monies should have been payable at that time but for the provisions of this clause 5.5.
- 5.6 Time is of the essence with respect to payment under the terms of this Agreement.
- 5.7 SDT shall raise invoices for Rented Equipment Charges according to the Charges and billing schedule set out on the Order.
- 5.8 If the Customer is unable to accept delivery of the Equipment on any agreed delivery date, SDT shall invoice the Customer as if such delivery had taken place.

6. WARRANTY

- 6.1 With respect to all Equipment that is sold by SDT:
- (a) SDT's only warranty to the Customer is that the Equipment shall conform substantially to its description;
 - (b) To the extent that any warranties extended to SDT by SDT's manufacturer are transferable, SDT shall transfer such warranties to the Customer;

- (c) SDT cannot pass onto the Customer any greater warranty in respect of the Equipment than that which has been conferred on SDT under the terms of SDT's agreement with its own supplier(s).
- 6.2 Subject to clause 13, the warranty contained in clause 6.1 is given in lieu of and shall be deemed to exclude all other warranties and conditions, whether express or implied and whether arising by common statute or otherwise.
- 6.3 If the Equipment is faulty or becomes faulty and the manufacturer agrees to accept a claim under its warranty provisions, the Customer shall return the Equipment to the location specified by SDT for the purpose of repair under such warranty. The Customer shall pay for packaging and carriage and such carriage will be at the Customer's risk.

7. TECHNICAL INFORMATION

- 7.1 The Customer acknowledges and agrees that:
 - (a) Any description contained in any catalogue, sample price lists or other advertising material supplied by SDT is intended merely to give a general impression of the Equipment sold by SDT and shall not form a representation to the Customer or become part of any contract for the sale of Equipment made between SDT and the Customer;
 - (b) SDT makes no warranty, express or implied, concerning any advice or recommendation made by it to the Customer.

8. DELIVERY

- 8.1 The Equipment will be delivered by SDT to the Customer to the location set out in the Order. Unless otherwise agreed in writing, such Equipment shall be delivered by any means chosen by SDT and SDT shall not be under any obligation to provide personnel to assist in the unloading of the Equipment.
- 8.2 If the Customer is unable to take delivery of the Equipment, SDT may at its sole discretion store the Equipment at the Customer's risk, but shall be entitled to charge the Customer its reasonable costs for doing so.
- 8.3 SDT shall make reasonable endeavours to avoid any delay in delivery but no responsibility is undertaken for meeting any specific delivery dates. Accordingly, no liability will be accepted for any direct or indirect loss which may be caused by delayed delivery whether brought about by a cause beyond the control of SDT or not.
- 8.4 SDT shall be entitled to deliver the Equipment in one or more consignments unless otherwise agreed.

- 8.5 The Customer shall inspect the Equipment immediately on delivery thereof and shall within two Working Days from such delivery give SDT notice of any matter or thing by reason whereof the Customer may allege that the Equipment is not in accordance with the contract or is defective in material or workmanship. If the Customer fails to give such notice, the Equipment shall be conclusively presumed to be in all respects in accordance with the contract and free from any defect which would be apparent on any reasonable examination and the Customer shall be deemed to have accepted the Equipment accordingly. If the Customer establishes to SDT's reasonable satisfaction that the Equipment is not in accordance with the contract or is defective, SDT may elect to repair the Equipment or to replace the Equipment or to refund the Charges against the return of the Equipment.
- 8.6 If the Equipment is damaged in transit the Customer shall notify both SDT and the carrier of the loss or damage within two Working Days of delivery.
- 8.7 Unless otherwise agreed by SDT in writing, SDT shall not be responsible for the installation of the Equipment at the Customer's site under the terms of this Supplement.

9. PASSING OF RISK

- 9.1 The Equipment shall be at the Customer's risk from the time of delivery of the Equipment to the Customer and if the Customer returns the Equipment to SDT, until the time of delivery back to SDT.
- 9.2 Where Equipment is to be collected by the Customer or by the Customer's carrier, the Equipment shall be at the Customer's risk from the time of collection of the Equipment.
- 9.3 SDT shall not be liable for any loss of any kind to the Customer arising from any damage to the Equipment occurring after the risk has passed to the Customer howsoever caused, nor shall any liability of the Customer to SDT be diminished or extinguished by such loss.

10. RETENTION OF TITLE

- 10.1 All Equipment sold by SDT shall remain the property of SDT until all sums due to SDT have been paid in full.
- 10.2 Without prejudice to any of its other rights, SDT may recover or resell the Equipment supplied and its servants or agents may enter upon the Customer's premises for that purpose if:
- (a) Any payment due by the Customer to SDT is overdue in whole or in part; or
 - (b) The Customer convenes a meeting of its creditors or if an order shall be made for a voluntary arrangement within Part 1 of the Insolvency Act of 1986 or an order for any other composition, scheme or arrangement with (or assignment for the benefit

of) its creditors, or if the Customer is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986, or if a trustee, receiver, administrative receiver or similar officer is appointed in respect of all or any part of the business or assets of the Customer or if a petition is presented or if a meeting is convened for the purpose of considering a resolution or other steps are taken for the winding up of the Customer or the making of an administration order (otherwise than for the purpose of an amalgamation or reconstruction).

- (c) SDT has reasonable grounds to believe that the Customer is or may become insolvent or that SDT's right to receive payment, or its interest in the Equipment, is or is likely to be in jeopardy; or
 - (d) The Customer ceases or threatens to cease to carry on trading; or
 - (e) The Customer is in breach of any provision of this Agreement.
- 10.3 Until such time as the Customer becomes the owner of the Equipment supplied, it will store the Equipment on its premises separately from its own equipment in a manner which makes it readily identifiable as the Equipment.
- 10.4 Until such time as the Customer becomes the owner of the Equipment supplied to it, the Customer will keep the Equipment properly insured for not less than its contract value.

11. USE OF EQUIPMENT

- 11.1 The Customer shall bring to the attention of all persons using the Equipment all of SDT's instructions and recommendations for use which are provided with the Equipment or referred to in SDT's catalogues or brochures, or which SDT has notified to the Customer. Further, the Customer shall take such steps as are necessary to ensure that there will be available in connection with the use of the same adequate information about the use for which the Equipment was designed and about any conditions necessary to ensure that when put to that use the Equipment will be safe and without risk to health.
- 11.2 The Customer shall not remove or deface any label affixed to the Equipment referring any user thereof to SDT's instructions and / or recommendations for use.
- 11.3 If the Equipment is resold by the Customer, the Customer shall bring to the attention of its purchaser all of SDT's instructions / recommendations for use provided with the Equipment or referred to in SDT's catalogues or brochures, or which SDT has notified to the Customer. Further, on such resale the Customer shall exact an enforceable undertaking from its purchaser not to remove any label affixed to the Equipment referring any user thereof to SDT's instructions and / or recommendations for use and that such purchaser shall take such steps as are necessary to ensure that there will be available in connection with the use of the Equipment adequate information about the use for which the Equipment was designed and about any conditions necessary to ensure that when put to that use the Equipment will be safe and without risk to health.

- 11.4 Where the Equipment has been manufactured or built according to designs or configurations or by processes specified or supplied by the Customer, the Customer represents and warrants to SDT that the Customer has satisfied itself that all necessary tests and examinations have been made or will be made prior to the Equipment being put into use to ensure that the Equipment is designed, built and operational so as to be safe and without risk to health and safety.
- 11.5 The Customer shall indemnify and keep SDT indemnified on a continuing basis against all actions, suits, claims, demands, losses, charges costs and expenses which SDT may suffer or incur in connection with any claim from any third party alleging facts which if established would indicate a breach of the undertakings, representations and warranties on the part of the Customer contained in this clause 11, or which if established would indicate a breach by any purchaser from the Customer of any undertaking which the Customer is required in this clause 11 to exact from such purchaser.

12. CANCELLATION

- 12.1 No cancellation, alteration, amendment or postponement of delivery of all or part of its order by the Customer shall be effective unless communicated in writing to SDT and agreed in writing by SDT.
- 12.2 Upon any such cancellation SDT shall be entitled to be paid the price of the Equipment supplied by SDT and the Customer shall pay for such materials as may have been allocated by SDT to the contract.

13. COMPUTER SOFTWARE

- 13.1 All Software shall be supplied to the Customer for use under the terms of the licence granted by the owner of the Software to the Customer and all intellectual property and title and the rights in the Software shall remain vested in any third party owning such property, title and rights.
- 13.2 Any warranty or guarantee given by SDT in respect of the Software shall be strictly limited to the medium of storage and SDT shall not be liable in respect of any loss or damage occasioned to the Software itself or which may be consequential upon the use of the Software for any purpose.

14. LIMITATION OF LIABILITY AND INDEMNITY

- 14.1 Save as expressly set out in this Supplement, the Equipment is not supplied with or subject to any condition, warranty or other term whether express or implied unless specifically stated by SDT in writing and except for the terms implied by section 12 of Sale of Goods Act 1979.
- 14.2 Subject to the provisions of clause 10 of the Master Terms, in no circumstances shall SDT's liability under this Agreement exceed the cost to the Customer of replacing or repairing the Equipment.
- 14.3 The Customer shall indemnify SDT and keep SDT indemnified on a continuing basis from and against all damage, injury or loss occurring to any person or property and against all actions, suits, claims, demands, charges or expenses in connection therewith arising from the condition or use of the Equipment in the event and to the extent that such damage, injury or loss shall have been occasioned partly or wholly by the Customer, its servants or agents and in the event of any breach by the Customer of any of its obligations to SDT hereunder.

15. INTELLECTUAL PROPERTY RIGHTS

- 15.1 The Equipment is sold subject to the rights of any person, whether in respect of any patent, trade mark, registered design, copyright, confidential disclosure or otherwise howsoever to prevent or restrict the sale or use of the Equipment in any part of the world and the Customer shall in this respect accept such title to the Equipment as SDT may have.
- 15.2 Where the Equipment has been manufactured or built according to designs or configurations or by processes specified or supplied by the Customer, the Customer represents and warrants to SDT that the Equipment as so designed or configured and/or the processes so used do not infringe the rights of any person, whether in respect of any patent, trademark, registered design, copyright, confidential disclosure or otherwise howsoever to prevent or restrict the sale or use of the Equipment or the use of such processes in any part of the world. The Customer shall indemnify SDT and keep SDT indemnified on a continuing basis from and against all damage, injury or loss occurring to any person or property and against all actions, suits, claims, demands, charges or expenses which SDT may suffer or incur in connection with any claim by which any third party alleging facts which if established would indicate a breach of the Customer's representations and warranties in this clause 15.2.

16. TERMINATION

- 16.1 If the Customer fails to take and pay for Equipment sold in accordance with the contract, SDT shall be entitled to treat the contract as repudiated. Without prejudice to SDT's right to

recover from the Customer by way of damages any loss or expense which SDT may suffer or incur by reason of the Customer's default, SDT shall be entitled to dispose of the Equipment as it shall think fit and shall not be under any liability to account to the Customer for the price received therefor or otherwise.

- 16.2 SDT shall be entitled immediately to terminate the contract at any time upon occurrence of any of the events specified in clause 10.2. Upon any such termination SDT shall be entitled to be paid the price of the Equipment supplied and the Customer shall pay for such materials as may have been allocated by SDT to the contract.

17. FINANCE

- 17.1 If the Customer requests SDT to arrange finance for the purchase of Equipment on the Customer's behalf, the Customer agrees that:
- (a) SDT will act as an agent for the Customer and for the avoidance of doubt, not for the finance provider;
 - (b) If SDT is unable to procure finance terms or is unable to procure finance terms that are acceptable to the Customer, this Agreement shall be terminated and any deposit paid by the Customer shall be returned by SDT and the Customer will have no further liability under the terms of this Agreement;
 - (c) If the Customer fails to provide third party indemnities that are required by the finance provider, such failure will be deemed to be a breach of this Agreement and the Agreement will be terminated forthwith and SDT shall be entitled to retain any deposit paid by the Customer;
 - (d) It is a condition of this Agreement that regardless of any provisions made by the finance provider in its contracts, the Customer shall finalise the finance arrangement immediately upon the Company's delivery of the Equipment to the Customer's site.
 - (e) If the Customer fails to finalise the finance agreement or fails to commence payment under the terms of the finance agreement, the Customer shall forthwith become liable for the full cost of the Equipment supplied under the terms of this Agreement.
 - (f) The Customer hereby consents to and procures that its directors, owners and officers consent to SDT carrying out such credit reference checks as are deemed necessary and reasonable during its procurement of finance services on the Customer's behalf. The Customer also agrees to provide all information requested by SDT that is necessary to carry out credit reference checks.