

T-Systems Limited  
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## Standard Terms & Conditions

### 1. Definitions

In these conditions:

“EU” shall mean the European Union of member countries as may be amended from time to time.

“T-Systems” shall mean T-Systems Limited a company registered in England with company number 01668706 and with its registered office at 21<sup>st</sup> Floor, Euston Tower, 286 Euston Road, London, NW1 3DP or its successors, subsidiaries and assigns.

“Order” shall mean the official numbered purchase order placed by T-Systems upon the terms and conditions contained herein and any special conditions attached hereto.

“Price” shall mean the total sum payable by T-Systems for the supply of the Products pursuant to the Order.

“Products” shall mean all goods and/or services specified in the Order or as may be amended pursuant to the terms hereof.

“Supplier” shall mean the other contracting party.

### 2. Form and Acceptance of Order

- i. The Order constitutes an offer by T-Systems to purchase the Products specified therein upon these terms and conditions. T-Systems shall only be bound by an Order (or any amendments thereto notified to the Supplier in the same manner or in writing) that is accepted by the Supplier either (i) the Supplier's execution or commencement of work, or (ii) commencement of delivery pursuant to the Order as the case may be.
- ii. These conditions shall take precedence over and shall operate to the exclusion of any and all conditions appearing on any quotation, acceptance form, delivery form, invoice or any other document or letter issued by the Supplier at any time unless and to the extent that such amendments are agreed in writing by an authorised representative of T-Systems.

### 3. Variations

- i. T-Systems shall have the right to request the Supplier to add or deduct from, or in any other way amend any Order prior to the delivery of the Products in accordance with clause 7 hereto. The Supplier shall be obliged to give notice in writing within five (5) working days of receipt of such request by T-Systems, stating the effect (if any) on the Price and/or delivery of a proposed variation. In no circumstances shall the receipt of such request from T-Systems be construed as authorisation to proceed until the Supplier has received a duly authorised amendment in respect thereof.
- ii. Following receipt of the Supplier's notification in accordance with sub clause 3(i) above, and subject to T-Systems' acceptance of the same, T-Systems may at its option from time to time and at any time issue an amendment(s) to any Order affected thereby. Such amendment(s) shall include details agreed between the parties and any variation(s) to the specification(s), quantity, the Price, the delivery date(s) of the Products or such other details as are appropriate.

Notwithstanding the provisions of sub clause 3(i) above, should T-Systems consider it desirable to amend the Order by written instruction (provided the same is issued by an authorized representative of T-Systems) prior to issuing an amendment, the Supplier shall comply with such instruction pending receipt of the amendment.

#### 4. Quality and Description

The Supplier hereby warrants and agrees with T-Systems:

- i. That all products delivered by the Supplier shall conform with the quality and description and all other particulars of the Products stated in the Order and that the Products shall conform to all samples, drawings, descriptions and specifications therefore furnished by the Supplier and approved by T-Systems prior to the date hereof.
- ii. That the Products shall be of good and merchantable quality and shall be fit for the purposes which they are designed to fulfil and for any purpose made known, whether expressly or impliedly by T-Systems to the Supplier, and that all services comprised in the Products shall be performed in a proper, diligent and skilful manner by properly qualified and experienced persons.
- iii. That the Products shall comply with all statutory requirements, regulations and British, EU or international standards or equivalent specifications applicable to the Products.
- iv. That all the goods shall be free from any defect in title.
- v. That the Supplier (including its employees, agents and sub-contractors) will at all times comply in all respects with all health and safety regulations in force during the performance of the Order (including without limitation Section 6 of the Health and Safety at Work Act 1974).
- vi. That any and all software and/or electronic processing systems delivered pursuant to any Order shall be coded such that neither the performance nor the functionality of the software will be adversely affected by any dates.

#### 5. Inspection, Testing and Progressing

- i. T-Systems shall be entitled to inspect and test the Products during their manufacture, processing or storage and shall forthwith upon request at all reasonable times be granted access to any of the Supplier's works or approved sub-contractors for the purpose hereof. Such inspection and testing shall not constitute acceptance by T-Systems of the Products and does not relieve the Supplier or any sub-contractor of any obligation under the Order, whether implied or express.
- ii. The Supplier shall forthwith upon request provide such detailed information as T-Systems may require with regard to the progress of the Order.
- iii. For the purpose of sub clause 5(i) above, the Supplier shall make available such tools instruments, apparatus, equipment, materials, facilities and services for carrying out such tests for on demand, confirmatory retest(s) at no extra costs as T-Systems may reasonably require.

#### 6. Acceptance and Rejection

- i. Unless otherwise agreed all Products shall be supplied carriage and duty paid and fully insured at the Suppliers cost to the place of delivery specified in the Order and T-Systems shall not be responsible for returning any cases, cartons, boxes, wrapping and other containers.
- ii. Without prejudice to T-Systems' other rights whether under these conditions or at law, T-Systems shall be entitled within a reasonable period of delivery of the Products (in no event less than thirty days by written notice to the Supplier) to reject the Products or part thereof which on T-Systems' inspection are found not to comply with the Order or are otherwise not in accordance with the stipulated quality or measurement or which are damaged or lost in transit or where there has been a shortage in delivery. T-Systems, when giving such notice of rejection, shall have the option of either:
  - a. Requiring the Supplier at the Supplier's risk and expense, expeditiously to collect replace and / or re-perform any rejected Products and to deliver additional Products in accordance with the Order; or
  - b. Cancelling the Order and, recovering from the Suppliers any monies paid by T-Systems in respect of such rejected Products and, if T-Systems so requires, any other Products comprised in the same Order as the rejected Products together with any additional expenses incurred by T-

Systems in obtaining replacement Products. Where the Supplier replaces any Products in accordance with Clause 6 the provisions of the Order shall apply to the replacement Products.

#### 7. Delivery

Time of delivery shall be of the essence of the Order. Without prejudice to any of T-Systems' other rights, failure to deliver the Products by the due date shall entitle T-Systems to cancel the Order in whole or in part without liability to the Supplier, to purchase substitute items or services elsewhere and to hold the Supplier accountable for any loss and additional costs incurred, or T-Systems may at its sole option instruct the Supplier to deliver the Products at the Supplier's expense by an express service.

The Products shall be properly packed and secured in such a manner as to enable them to reach their destination and in good condition and shall be delivered during normal business hours to the premises specified in the Order or, as otherwise notified in writing in accordance with sub clause 3(i) hereto.

#### 8. Title and Risk

Title and risk in the Products shall pass to T-Systems on delivery in accordance with the Order without prejudice to any rights of T-Systems which may accrue under these conditions. Any Products or materials purchased or allocated by the Supplier for the purpose of the Order, or work done thereunder, shall immediately vest in T-Systems where advance payment or progress payments have been made or are being made by T-Systems.

#### 9. Price and Payment

The Supplier shall send to T-Systems a detailed price invoice(s), clearly stating the Order number, the quantity and unit of measure, the description and Supplier's part and/or stock number(s) for the Products, T-Systems' designated part number(s) (if applicable) and such information required to be stated on a tax invoice in accordance with Section 6 (15) Value Added Taxes Act 1994. T-Systems reserves the right for correction to any invoice which does not comply with these requirements and notwithstanding any resultant delay in payment T-Systems shall remain entitled to any prompt payment discounts applicable pursuant to the Order.

The price shall be as specified in the Order, inclusive of delivery and all other charges and shall remain fixed and firm for the duration of the Order. The price shall be stated exclusive of any applicable Value Added Tax, or sales or similar taxes. No price variation shall apply unless such provision is specifically made in the Order. Unless otherwise specified in the Order payment shall be made within sixty (60) days of receipt by T-Systems of the Supplier's valid invoice issued in respect of the Products delivered and accepted in accordance with the terms hereof. Payment shall not operate as a waiver of any of T-Systems' rights under the Order or at law.

#### 10. Intellectual Property Rights

- i. The Supplier hereby assigns to T-Systems with full title guarantee all rights of whatever nature (including but without limitation copyright and design rights) in and to the Products and of any services performed pursuant to the Order and any materials (including without limitation any promotional materials, drawings, photographs, engravings, graphic works or any other artistic, literary or musical works, and any sound recordings, films, broadcasts and cable programmes) supplied by the Supplier to T-Systems pursuant to the Order.
- ii. The Supplier hereby waives and shall procure that any third party involved in the supply of the materials or the services shall waive unconditionally and irrevocably any and all moral rights which the Supplier and/or any such third party has or may have in the Products or the product of such services.
- iii. Neither the Supplier's name nor its trademark are to appear on any Products which are made to T-Systems' prior permission in writing.

#### 11. Confidentiality

Any information furnished by T-Systems to the Supplier prior to or after the date hereof shall be treated as strictly confidential and the Supplier shall not, without the prior written consent of T-Systems disclose the same to any third party or advertise or otherwise make known that it supplies, will supply or has supplied the Products to T-Systems.

## 12. Warranty

- i. Without prejudice to any other rights which T-Systems may have whether implied by statute or otherwise, the Supplier undertakes, at T-Systems' option, forthwith either to repair or modify, to replace or refund the cost of the Products or any part thereof which are or become defective within a period of twelve (12) months from the date of delivery (or within such longer period as may be specified in the Order), or from the date of delivery following the satisfactory repair, modification or replacement of the Products or any part thereof.
- ii. Where the Supplier repairs, modifies or replaces any products in accordance with this Clause 12, the provisions of the Order shall apply to the repaired, modified or replacement products.

## 13. Indemnity and Insurance

- i. In addition to and without prejudice to the generality of these conditions, the Supplier hereby undertakes to defend, indemnify and hold T-Systems harmless from any and all claims, liabilities, costs, damages and expenses resulting at any time:
  - a. in respect of any alleged or actual infringement whether under English law or otherwise of any patent, utility model, registered design, copyright, trade mark, design mark, design right, moral right or other proprietary or third party rights vested in any other person; or
  - b. sustained by T-Systems or for which T-Systems may be liable as a result of the Supplier's failure to perform its obligations to T-Systems hereunder or in respect of any act, omission or negligence by the Supplier, his employees, agents or sub-contractors whether arising inside or outside of the scope of his duties; or
  - c. in respect of death or injury to any person and / or in respect of any loss of or damage to any property real or personal of T-Systems or of any third party whether sustained by T-Systems or by any person to whom T-Systems may be responsible and arising by the act omission or negligence of the Supplier; or
  - d. in respect of any defect or fault discovered in the Products supplied hereunder including without limitation defects in design materials workmanship and / or non suitability for intended use or in respect of any claim brought or made against T-Systems under the Consumer Protection Act 1987; and
- ii. The Supplier shall effect and maintain and shall require its subcontractors to effect and maintain throughout the continuance of the Order insurance policies with insurers in respect of all and any liabilities of the Supplier which may arise hereunder or in law.
- iii. In the event that any of the software develops problems and / or is/ or becomes non-compliant (in the manner referred to in clause 4 (vi) above ) with any specifications descriptions or statements as to quality, whether at delivery to or acceptance by T-Systems, or at any time thereafter then the Supplier shall indemnify T-Systems against any and all such costs and losses that T-Systems may suffer resulting from the Supplier's warranty in clause 4(vi). The remedy contained in this clause 13 shall be without prejudice to T-Systems other rights under the Order or at law.

## 14. Termination

Without prejudice to any one of T-Systems' other rights or remedies, T-Systems shall have the right to terminate the Order or any part thereof forthwith by written notice:-

- i. If the Supplier commits any breach or non observance of any of the terms of the Order, whereupon T-Systems shall be entitled:-
  - a. to return to the Supplier at the Supplier's risk and expense any of the Products already delivered and to recover from the Supplier any monies paid by T-Systems in respect of such Products; and

- b. to recover from the Supplier any additional expenditure reasonably incurred by T-Systems in obtaining other goods and/ or services in replacement of those in respect of which the Order has been terminated.
- ii. If the Supplier makes or offers to make any arrangement or composition with its creditors or commits any act of bankruptcy or if a petition or receiving order in bankruptcy is presented or made against the Supplier, or being a company, the Supplier is/ or becomes declared insolvent or in the reasonable opinion of T-Systems is unable to pay its debts within the meaning of section 518 of the Companies Act 1985, or if any resolution or petition is passed for the winding up of the Supplier (other than solely for the purpose of amalgamation or reconstruction), or if a receiver, administrative receiver or liquidator is appointed over the whole or any part of its assets or undertakings or the Supplier takes or suffers any similar or analogous action in consequence of debt, or if a third party seizes or threatens to seize the Products or any parts thereof before legal ownership has passed to T-Systems in accordance with clause 3 hereof.

#### 15.Break

Without prejudice to any of T-Systems' other rights, T-Systems may at any time without stating the reason therefore cancel the Order in whole or in part forthwith by written notice to the Supplier. In such event T-Systems shall in full and final settlement pay to the Supplier a fair and reasonable price for all Products delivered or in a deliverable state at the date when such notice is given. In no case shall the sums recoverable by the Supplier exceed the Price.

#### 16.Suspension

- i. The Supplier shall suspend the whole of the Order or any part thereof forthwith on written receipt of notice from T-Systems so to do and the Supplier shall take all measure necessary to protect and secure the same. Any additional costs which are in the opinion of T-Systems reasonably and necessarily incurred by the Supplier arising from such suspension shall subject to sub clause 16 (b) be paid by T-Systems upon substantiation by the Supplier to the satisfaction of T-Systems. In the event of such suspension, the Supplier shall promptly stop work and where applicable discontinue all sub-contacts. The Supplier shall however use its best endeavours to mitigate the financial effect of such suspension.
- ii. No additional costs shall be payable by T-Systems if the suspension arises as a result of any act, default or negligence on the part of the Supplier or as a result of circumstances beyond the reasonable control of T-Systems.

#### 17.Assignment and Sub-Contracting

The Supplier shall not without the prior written consent of T-Systems assign or otherwise transfer the whole or any part or any benefit in or interest under the Order. The Supplier shall not without the prior written consent of T-Systems sub contract any Order or part thereof (save in respect of materials minor items and for any parts of the Products for which the makers are specifically named or to the extent to which subcontracting is a trade or custom in relation to the subject of the Order). All sub-contractors shall be the responsibility of the Supplier and be placed subject to conditions which fully protect the interests of T-Systems. T-Systems may assign this Order in whole or in part to any third party in which event T-Systems shall forthwith give notice to the Supplier.

#### 18.General

- i. Failure on the part of T-Systems to exercise or enforce any rights conferred under the Order or at law shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.
- ii. The headings in these conditions shall not be deemed to be part hereof or be taken into consideration in the interpretation or construction hereof or of the contract. If any of the words or provisions of these conditions shall be deemed to be invalid for any reason then the conditions shall be read as if the invalid provisions had to that extent been deleted therefrom and the validity of the remaining provisions of the conditions shall not be affected thereby.

- iii. Any notice required to be given hereunder shall be sufficiently given if sent by registered post, by hand, cable or telex to the recipient at its registered office or last known address and shall be deemed to have been properly served at the time when in the ordinary course of transmission it would reach its destination.
- iv. The Supplier shall maintain a true and correct set of records pertaining to the Order, and agrees to retain all such records for a period of not less than five (5) years after the date of completion of the order, and shall upon reasonable request by T-Systems give access to such records.
- v. Nothing in these conditions shall constitute or be deemed to constitute either party the agent of the other for any purpose whatsoever and neither party shall have any authority or power to bind the other or to contract in the name of or create a liability against the other.
- vi. This Order and the rights and obligations of the parties hereunder shall be governed, construed and interpreted in accordance with the laws of England.
- vii. These conditions set out in the order subject to any amendments made in accordance with clause 3 hereof represent the entire agreement between the Supplier and T-Systems and shall not be varied except by written authority of the parties.