

CONDITIONS OF SUPPLY OF THE PHONESDIRECT.COM LTD

1. DEFINITIONS

- 1.1 "Buyer" means the person, to whom the Company may agree to supply Goods in accordance with these Conditions.
- 1.2 "The Company" means phonesdirect.com Ltd, 1 The Belfry, 4400 Parkway, Whiteley, Hampshire, PO15 7FJ and any trading division or subsidiary or associated company (as the case may be).
- 1.3 "Conditions" means these terms and conditions of supply including where applicable the supplemental and further supplemental provisions of "The Schedules".
- 1.4 "Goods" means any goods and/or services and software items to be provided by the Company to the Buyer in accordance with these Conditions.
- 1.5 "Software" means any software supplied to the Buyer.
- 1.6 "Contract" means the contract for the supply of the Goods.
- 1.7 "The Schedules" means all of the Schedules of these Conditions, the provisions of which apply in respect of mobile telephony and related equipment only.
- 1.8 "Website" means the Company's website located on the internet at domain location www.phonesdirect.com, or such other website as the Company may operate from time to time.
- 1.9 "Writing" includes emails, faxes, website based information, and any non-transitory form of visible reproduction of words.

2. ORDER ACCEPTANCE

- 2.1 All orders placed by the Buyer whether written or oral shall constitute an offer to the Company, under these Conditions, subject to availability of the Goods and to acceptance of the order by the Company's authorised representative. Any quotation given by the Company does not constitute an offer capable of acceptance. These Conditions shall apply in respect of all contracts for the supply of goods and/or services of any nature whatsoever by the Company to the Buyer.
- 2.2 All orders are accepted and Goods supplied subject to these Conditions only. No terms or conditions put forward by the Buyer shall apply. No amendment of these Conditions will be valid unless confirmed in writing on or after the date hereof by the Company's authorised representative.
- 2.3 The Buyer shall be responsible for ensuring the accuracy of the order and for giving the Company any necessary information to enable the Company to perform the Contract.
- 2.4 The Company reserves the right by notice in Writing to the Buyer to alter these Conditions.

3. INDEPENDENT CONTRACTOR

The relationship between the Company and Buyer is that of independent contractor. Neither party is the agent of the other and neither party has any authority to make any contract or incur any obligation expressly or impliedly for the other party, without that party's prior written consent for express purposes connected with the performance of this Contract.

4. DELIVERY

- 4.1 Any dates given for delivery are estimates only and the Company shall not be responsible for any delays. Time for delivery shall not be of the essence.
- 4.2 The Company reserves the right to make delivery by instalments. In that event these Conditions shall apply to each delivery as though it were the subject of a separate contract and failure by the Company to deliver any one or more instalments or any claim by the Buyer in respect of any one or more instalments shall not entitle the Buyer to treat the contract as a whole as repudiated.
- 4.3 If the Company agrees to make delivery to the Buyer or its nominee such delivery shall be effected to the address of the Buyer or its nominee. Even in such cases, the Company reserves the right to request the Buyer to nominate or appoint its own carrier for the purposes of effecting such delivery and in that case if delivery charges are included in the price the Company will reimburse the Buyer with the amount of such charges.
- 4.4 Save as mentioned in condition 4.5 the Buyer shall take delivery at the Company's premises within three days of the Company informing the Buyer that the Goods are ready for collection.
- 4.5 If the Company agrees to arrange for delivery of the Goods the Buyer shall give verbal and written notice to the Company forthwith if the Goods are not received within three days of the expected delivery date or within such lesser period within which such notice is required to be given to the carrier (if any) and if the Buyer fails so to do delivery shall be deemed to have been effected whether or not it has actually been effected.
- 4.6 Delivery shall be deemed to be effected at the time when the Buyer effects collection from the Company or in cases where collection is not effected by the Buyer or on its behalf, when delivery is made to the address specified by the Buyer. The Buyer shall inspect the Goods on delivery. Unless the Buyer shall deliver written notice to the Company within one day of delivery to the effect that the Goods are not those ordered, or are damaged or subject to shortage and unless the Buyer shall in all respects comply with the terms and conditions of the carrier (if any) the Buyer shall be deemed to have accepted the Goods and shall not be entitled to reject Goods which are not in accordance with the Contract. If the Buyer shall give written notice as aforesaid, it shall comply with the Company's instructions concerning the return or retention for inspection of such Goods which shall be at the Buyer's risk until back in the possession of the Company. In no event shall the Buyer be entitled to reject the Goods on the basis of any defect or failure which is so slight that it would be unreasonable for the Buyer to reject the Goods.
- 4.7 If the Buyer fails to collect the Goods, give adequate delivery instructions or accept delivery when tendered (as the case may be) the Goods shall be at the Buyer's risk and the Company may:
 - 4.7.1 claim payment for the Goods;
 - 4.7.2 store the Goods until actual delivery and charge the Buyer for the costs of storage;
 - 4.7.3 sell the Goods at the best price readily obtainable and (after deducting all storage, selling and other expenses) account to the Buyer for the excess over sums owing by the Buyer or charge the Buyer for any shortfall;
 - 4.7.4 terminate the Contract.

5. CANCELLATION AND RESCHEDULING

Subject to clause 9.2 any request by the Buyer for cancellation of any order or for rescheduling of deliveries will only be considered by the Company if made at least 6 hours before dispatch of the Goods, and shall be subject to acceptance by the Company at the Company's sole discretion, and subject to a reasonable administration charge therefor by the Company. The Buyer hereby agrees to indemnify the Company against all loss, costs (including loss of profit the cost of labour and materials used and overheads incurred), damages, charges and expenses arising out of the order and its cancellation or rescheduling.

6. PRICES

- 6.1 Catalogues, price lists, the Website, and other advertising literature or material as used by the Company are intended only as an indication as to price and the range of goods offered and no prices, descriptions or other particulars shall be binding on the Company and any typographical, clerical or other error or omission shall be subject to correction at any time without liability on the part of the Company.
- 6.2 All prices are given by the Company at the time of the order on an ex-works basis and unless otherwise agreed the Buyer is liable to pay for the cost of delivery. The Company may by giving notice to the Buyer at any time before delivery increase the price of the Goods to reflect any increase in the cost to the Company, which without limitation, shall include any of the following circumstances:
 - 6.2.1 where the Buyer has requested any variation whatsoever to the quantity, capacity, form, content, style or description of the Goods, or has requested an earlier or a later delivery date; or

- 6.2.2 where steps are required to be taken by the Company to comply with any statutory provisions from time to time in force; or
- 6.2.3 where increases are made in the price charged to the Buyer of any equipment or goods bought in from outside suppliers so as to enable the Company to fulfil the Contract; or
- 6.2.4 where the supply of the Goods is suspended, varied or otherwise delayed by the Buyer, including without limitation, any delay caused by:
 - 6.2.4.1 any variation of or to the Contract by the Buyer; or
 - 6.2.4.2 failure to provide the Company with sufficient information to enable the Company to satisfy its obligations under the Contract.

6.3 All prices are exclusive of Value Added Tax and any similar taxes which are payable in addition.

7. TERMS OF PAYMENT

- 7.1 Unless the Company shall have previously agreed in writing with the Buyer that the Goods shall be supplied on credit, payment for the Goods shall be made in full by the Buyer prior to the Goods leaving the Company's premises by credit card, debit card, cleared funds, or such other method that may be accepted by the Company.
- 7.2 Where the Company has agreed to supply the Goods on credit the Company shall be entitled to invoice the Buyer for the price of the Goods on or at any time after delivery of the Goods and the Buyer shall pay the price of the Goods within 30 days of the invoice date or such other agreed time period from the date of the Company's invoice (such other time period being agreed and notified to the Buyer by the Company in writing) notwithstanding that the property in the Goods has not passed to the Buyer.
- 7.3 The time of payment of the price shall be the essence of the Contract. If the Buyer fails to make payment on the due date then without prejudice to any other right or remedy available to the Company the Company shall be entitled to:-
 - 7.3.1 cancel, suspend any further deliveries, or suspend any services due to the Buyer under the Contract or under any other contract between the Buyer and the Company, or require the provision of such financial security as the Company may deem necessary before making further supply;
 - 7.3.2 appropriate any payment made by the Buyer to such of the Goods as the Company may think fit (notwithstanding any purported appropriation by the Buyer);
 - 7.3.3 charge interest on any money which is not paid by it to the Vendor under the Contract by the due date for its payment ("the Due Date for Payment"). Such interest shall accrue and be calculated on a daily basis, both before and after any judgement (unless a court orders otherwise) and until the date on which it is actually paid, at a rate equivalent to the rate prevailing at the Due Date for Payment as prescribed by the Secretary of State pursuant to section 6 of The Late Payment of Commercial Debts (Interest) Act 1998. Interest shall be compounded on the first day of each month and be payable on demand.
 - 7.3.4 charge the Buyer all the costs incurred by the Company for recovering the debt from the Buyer.
- 7.4 The Buyer shall not be entitled to delay or withhold payment on account of any alleged claim.

8. RISK AND PROPERTY

- 8.1 Risk of damage to or loss of the Goods shall pass to the Buyer at the time of delivery or when the Company notifies the Buyer that the Goods are available for collection if the Goods are to be delivered at the Company's premises or, if the Buyer wrongfully fails to take delivery of the Goods, the time when the Company has tendered delivery of the Goods or the Buyer should have collected the Goods.
- 8.2 Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these conditions, the property in the Goods shall not pass to the Buyer until the Company has received payment in full of the price of the Goods and all other goods supplied by the Company.
- 8.3 Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods as the Company's fiduciary agent and bailee and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Company's property but unless the Vendor revokes such right in writing or the Buyer becomes insolvent as defined in clause 14.1 may resell or use the Goods in the ordinary course of its business.
- 8.4 Until such time as the property in the Goods passes to the Buyer, the Buyer shall deliver up the Goods to the Company on demand and, if the Buyer fails to do so immediately the Company may enter any premises of the Buyer (using reasonable force if necessary) or any third party where the Goods are stored and repossess the Goods.

9. SPECIFICATION OF GOODS

- 9.1 The Company shall not be liable in respect of any loss or damage caused by or resulting from any variation for whatsoever reason in the manufacturer's specifications or technical data and will not be responsible for any loss or damage resulting from curtailment or cessation of supply following such variation. The Company will use its reasonable endeavours to advise the Buyer of any such impending variation as soon as it receives any notice thereof from the manufacturer.
- 9.2 Unless otherwise agreed, the Goods are supplied in accordance with the manufacturer's standard specifications as these may be improved, substituted or modified. The Company reserves the right to increase its quoted or listed price, or to charge accordingly in respect of any orders accepted for Goods of non-standard specifications and in no circumstances will it consider cancellation of such orders or the return of the Goods. The Company reserves the right to supply in substitution to the Goods or component parts thereof goods or component parts of goods the specifications of which are equivalent or superior to the Goods.

10. PROPRIETARY RIGHTS IN SOFTWARE PRODUCTS

- 10.1 The Buyer hereby acknowledges that any proprietary rights in any software supplied including but not limited to any title or ownership rights, patent rights, copyrights and trade secret rights, shall at all times and for all purposes vest and remain vested in the Software owner.
- 10.2 The Buyer hereby acknowledges that it is its sole responsibility to comply with any terms and conditions of any licence attaching to Software supplied (including if so required the execution and return of a software licence). The Buyer is hereby notified that failure to comply with such terms and conditions could result in the Buyer being refused a software licence or having the same revoked by the proprietary owner. The Buyer further agrees to indemnify the Company in full and on demand against any costs, charges, expenses, loss or liability incurred by the Company as a result of any breach by the Buyer of such terms and conditions.

11. RETURNS

Returns can only be made as in accordance with the Company's then prevailing returns policy which is available from the Company on request and can be viewed on the Website.

12. WARRANTY

- 12.1 For Goods manufactured by the Company the Company warrants that the Goods will correspond with their specification at the time of delivery and will be free from defects in material and workmanship for such period as shall be notified to the Buyer and in the absence of such notification a period of 12 months.
- 12.2 The Company sells the Goods with the benefit of the manufacturer's warranty subject to the terms and conditions of such warranty but the Company shall have no further liability to the Buyer.
- 12.3 The warranty in condition 12.1 does not apply;
 - 12.3.1 in respect of any defect in the Goods arising from any drawing, design or specification supplied by the Buyer;
 - 12.3.2 in respect of any defect arising from fair wear and tear, wilful damage, negligence (including improper storage), improper installation or maintenance, abnormal working conditions, failure to follow the Company's instructions (whether oral or in writing), misuse (including without limitation use which was not reasonably contemplated by the Company at the time when the Contract was entered into) or alteration or repair of the Goods without the Company's approval.
 - 12.3.3 in respect of any matter regarded as a fault due to a modification, alteration, or replacement required by a change in the requirements of any governmental or regulatory society, institute, authority or other body.
- 12.4 The Company shall replace or repair free of charge Goods (or the part in question) which do not meet the warranty in condition 12.1 or, at the Company's sole discretion, refund to the Buyer the price of the Goods (or a proportionate part of the price) but the Company shall have no further liability to the Buyer. Replacements or repairs shall be warranted for an additional period of three months or until the expiry of the original warranty period, whichever is the longer.
- 12.5 Any software is supplied "as is" and the sole obligation of the Company is to supply a corrected version if such software fails to conform to its product description, or at the Company's option, provide a refund provided that the Buyer notifies the Company of any such non-conformance within 30 days of the date of delivery. No warranty is given that the operation of any software will be uninterrupted or error free.
- 12.6 Failure by the Buyer to pay any sum owing will render the applicable warranty null and void.
- 12.7 The Buyer shall be responsible for the cost of carriage and insurance in respect of all Goods returned by the Buyer to the Company for repair or replacement. In the case of valid warranty

claims the Company shall refund any such reasonable costs.

12.8 The Company reserves the right to levy a surcharge in the event of returned Goods being found not to be defective.

12.9 The Company shall not be responsible for its failure to perform any of its obligations under this contract, if such failure is the result, directly or indirectly, of the Buyer's or third party's products or service (for example, software, hardware or firmware) to correctly process, provide and/or receive data and properly exchange data with products under this Contract.

13. INDEMNITIES AND LIMITS OF LIABILITY

13.1 Subject as expressly provided in these Conditions all warranties, conditions, representations or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

13.2 WHERE THE GOODS ARE SOLD UNDER A CONSUMER TRANSACTION (AS DEFINED BY THE CONSUMER TRANSACTIONS (RESTRICTIONS ON STATEMENTS) ORDER 1976) THE STATUTORY RIGHTS OF THE BUYER ARE NOT AFFECTED BY THESE CONDITIONS.

13.3 Save as otherwise expressly provided in these Conditions, the following provisions set out the Company's entire liability for any act or omission whether in contract, misrepresentation, pre-contractual misrepresentation, fraudulent misrepresentation, tort (including negligence) or otherwise howsoever arising.

13.4 The Company's liability to the Buyer for death or injury resulting from negligence shall not be limited.

13.5 The Company accepts liability to the Buyer for damage to the tangible property of the Buyer resulting from the negligence of the Company not exceeding £5,000,000 for any one incident or series of incidents arising from a common cause.

13.6 The Company shall not be liable to the Buyer for any increased costs, expenses, loss of data, use, profits, goodwill, business, contracts, revenues or failure to achieve anticipated savings, or any type of special, indirect or consequential loss (including loss or damage suffered by the Buyer as a result of a claim alleged or an action brought by a third party) even if such loss were reasonably foreseeable or the Company had been advised of the possibility of the Buyer incurring the same.

13.7 The Company's entire liability for all claims relating to or in connection with the Goods shall be limited to the amount paid by the Buyer for the Goods.

13.8 Save as otherwise expressly provided in these Conditions, the Buyer shall indemnify the Company in respect of any cost, claim, expense, loss or liability suffered or incurred in connection with any claim made by any person in connection with the Goods.

13.9 The Buyer acknowledges it is under a duty to pass on to its customers (where appropriate) all instructions, information and warnings supplied to it by the Company.

14. TERMINATION

This Contract may be terminated immediately by notice in writing:

14.1 by the Company if the Buyer fails to pay any sums due hereunder by the due date or is involved in any legal proceedings concerning its solvency, or ceases trading, or commits an act of bankruptcy or is adjudicated bankrupt or if a petition is presented or resolution passed for its liquidation, or if it makes an arrangement with its creditors (including a moratorium under the Insolvency Act 2000 or a scheme or arrangement under section 425 Companies Act 1985) or a petition for an administration order is presented or if a receiver, administrative receiver or manager is appointed over all or any part of its assets or if it is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or does or suffers anything analogous to any of the foregoing in any other jurisdiction;

14.2 by the party not in default, if the other party fails to perform any of its obligations and such failure continues for a period of 7 days after written notice thereof;

14.3 by the Company if the Buyer commits or is party to dishonest or fraudulent conduct in relation to this Contract;

14.4 by the Company if the Buyer is acquired by a person who does not have control of the Buyer at the date upon which the Contract is made. "Control" means the ownership of 50% or more of the share capital or voting rights of the Buyer or the power to control the affairs of the Buyer.

14.5 Any termination shall be without prejudice to any other rights or remedies a party may be entitled to hereunder or at law, and shall not affect any accrued rights or liabilities of either party.

14.6 Upon termination of this Contract all sums owing to the Company whether under the Contract or otherwise and whether or not the subject of an invoice shall become immediately due and payable and the Company may cancel without prior notice any outstanding order or make delivery subject to payment in advance.

15. EXPORT AND/OR RE-EXPORT LIMITATION

Having regard to the current statutory or other United Kingdom government regulations in force from time to time and, in the case of Goods manufactured in the United States of America to the current export rules and regulations of the United States Department of Commerce in force from time to time and regardless of any disclosure made by the Buyer to the Company of an ultimate destination for any Goods, the Buyer will not export or re-export directly or indirectly any Goods without first obtaining all such written consents or authorisations as may be required by any applicable regulations.

16. INTELLECTUAL PROPERTY RIGHTS

16.1 All drawings, documents, confidential records, computer software and other information supplied by the Company are supplied on the express understanding that copyright and all other rights are reserved by the Company and that the Buyer will not without the prior written consent of the Company either copy, give away, loan, exhibit, or sell any such drawings, documents, records, software or other information or extracts therefrom or copies thereof or use them in any way except in connection with the Goods in respect of which they are issued.

16.2 If the Buyer is threatened with any action alleging that the Goods infringe any patent, copyright, registered design, or other intellectual property rights held by a third party then provided that the Buyer promptly informs and fully co-operates with the Company or its supplier and, if the Company or its supplier so requests allows the Company or its supplier to defend any action on the Buyer's behalf and have the sole control of any and all negotiations for settlement, the Company will indemnify the Buyer against any award or damages and costs against the Buyer arising from such action. Further if such event occurs the Buyer agrees that the Company shall have the option at its own expense either:

16.2.1 to modify the Goods so that they do not infringe, or

16.2.2 to replace the Goods with non-infringing goods; or

16.2.3 to procure for the Buyer the right for it to continue its use of the Goods; or

16.2.4 to repurchase the Goods from the Buyer at the price paid by the Buyer less depreciation.

16.3 The Company shall have no liability in respect of claims for infringement or alleged infringement of third parties' patent or other proprietary rights arising from the execution of an order in accordance with the Buyer's designs, plans or specifications and the Buyer shall indemnify the Company against all losses, damages, expenses, costs or other liability arising from such claims.

17. GENERAL

17.1 The headings in this Agreement are for ease of reference only and shall not affect its interpretation or construction.

17.2 No forbearance, delay or indulgence by the Company in enforcing any of its rights shall prejudice or restrict the rights of the Company, and no waiver of any such rights or of any breach by the Buyer shall be deemed to be a waiver of any other right or any later breach. No waiver by the Company shall be effective unless in writing.

17.3 The Buyer may not assign any of its rights without the prior written consent of the Company. The Company may assign any of its rights.

17.4 In the event of any of these conditions (or any part of any of them) being found to be void or unenforceable for any reason, the remaining conditions (and the remainder of the condition concerned) shall remain in full force and effect.

17.5 The Company shall not be liable for any delay in or failure to perform its obligations where such delay or failure results from act of God, fire, explosion, accident, industrial dispute or any other cause beyond its reasonable control.

17.6 Any notices given hereunder by either party to the other must be in writing and may be delivered personally or by recorded delivery or registered post to the registered office or principal place of business or as directed by the Company from time to time and in the case of post will be deemed to have been given 2 working days after the date of posting.

17.7 The Company's employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Company in writing. The Buyer acknowledges that it does not rely on, and irrevocably waives any claim it may have for damages for or right to rescind the contract for any such representations which are not so confirmed (unless such representations were fraudulently made). Any advice or recommendation given by the Company or its employees or agents to the Buyer or its employees or agents as to the storage application or use of the Goods which is not confirmed in writing by the Company is followed or acted upon entirely at the Buyer's own risk and, accordingly, the Company shall not be liable for any such advice or recommendation which is not so confirmed.

17.8 These Conditions constitute the entire agreement between the Company and the Buyer concerning the supply of the Goods and replace and supersede any prior arrangement, understanding,

warranty or representation (other than any fraudulent misrepresentation).

- 17.9 The Buyer shall fully and effectively indemnify the Company against the total expense to the Company arising out of the Buyer's breach or breaches of these conditions of sale. Such expense shall include (without limitation) (1) all expenses incurred by the Vendor in sourcing and assembling the Goods (2) all court fees (3) all amounts payable to the Vendor's professional advisers (payable on an indemnity basis) in pursuing claims against the Buyer for breach or breaches of these Conditions and for enforcing any judgements and/or order/s (4) all amounts payable to the Vendor's insurers and/or debt recovery agents, in each case including anticipated sums payable by the Vendor only after payment of any sums from the Buyer.
- 17.10 These Conditions shall be governed and construed in accordance with English Law and the parties submit to the non-exclusive jurisdiction of the English courts.
- 17.11 The Buyer:
- 17.11.1 shall not directly or indirectly; and
- 17.11.2 shall procure that its shareholders shall not; and
- 17.11.3 shall use best endeavours to ensure that any other persons associated with the Buyer (including employees and directors of the Buyer and its sub-distributors and sub-agents) shall not during the subsistence of this Contract and for a period of 6 months after the termination of this Contract solicit or entice away or seek to entice away from the Company any person who is or becomes an Employee of the Company and agrees to pay to the Company as compensation to the Company for the loss suffered by the Company as a result of such solicitation and the costs incurred by the Company in finding a replacement employee a fixed sum of 25% of such employee's previous year's gross salary including bonuses and benefits in kind.
- 17.12 No contract will create any right enforceable (by virtue of the contracts (Rights of Third Parties) Act 1999) by any person not identified as the Vendor or Buyer.
- 18 The Data Protection Act 1998

Your information

Your information, includes any information which we now or at any time in the future may hold or use relating to you, or any person, company, partner or associate of yours (as defined in s.184 of the Consumer Credit Act 1974). This information may come from or relate to:

1. Application by you for the provision, and supply to you of goods and services by us
2. What you may tell us either orally or in writing or by electronic means either directly or in documents submitted to us or information published by you or about you
3. Reports from third parties such as professionals, bankers, brokers and agents with whom you may have had a business relationship, credit reference agencies, fraud prevention organisations, valuers and other responsible third parties employed by you or us
4. Your transactions with us, which may include the names of your staff with whom we liaise, your customers, their representatives, their contact details, your bank account and other financial and personal information such as address and contact details and other related information that we shall obtain in the course of any operating services for you or your supplier/s or information that we may accumulate in assessing whether to commence or continue to operate such services
5. Recorded telephone messages which may be left by you outside normal office hours

What we may do with your information

We will use and analyse and assess your information to maintain and develop the relationship between us. This will include the following purposes:

1. Considering any applications made by you for, and helping us to make, credit related decisions about you and/or your business
2. Operating and administering the services currently and in the future provided by us
3. Financial risk assessment, money laundering checks, the exchanging of information with credit reference agencies and fraud prevention organisations to assist us in the making of credit decisions and preventing fraud
4. Helping us to assess how we can develop our business relationship in the future including market research, product and statistical analysis and development of new products
5. Helping us to identify new products and services, which may interest you (unless you have requested otherwise)
6. Improving business skills by the use of information in staff training

For operational reasons in connection with the above we may link your information between your accounts and other accounts that we hold for other clients and/or the customers of those clients.

Disclosure of your information

1. Where required to do so for the operational and administrative reasons referred to above
2. Where we have your consent. Your consent shall be given by your continuing relationship with us following posting of this, or subsequent notice/s or acceptance of our web trading terms and conditions to you and shall include consent to the disclosure of information to: any other companies within our own group of companies for any of the purposes mentioned above and/or any professionals, bankers, agents, brokers or insurers for the purposes of their providing their services to you
3. Where we are required or permitted to do so by law
4. Where we are required for the provision of finance to us by any of our financiers who may process that information for any of the purposes referred to herein and who may use and transfer that data throughout their organisation, including abroad, and who may collect information about you for their own purposes in relation to the provision of finance
5. To persons to whom we may register transfer rights and obligations under the agreement/s between us
6. To any person who provides a service to us who agrees to keep your information confidential
7. To credit reference agencies and other agencies involved in the prevention of frauds

If necessary to provide the services you have or may request, from time to time your information may be transferred to other countries. We will ensure that anyone to whom we pass your information undertakes to treat your information confidentially, with respect to the private nature of your information and to use or process it solely for the business reasons for which it is provided. Some of these countries may not have a level of data protection equivalent to that of the United Kingdom

Credit Reference agencies and Fraud Prevention Organisations

We use such agencies from time to time to assist us in taking decisions in regard to providing credit, including whether to do so as well as any applicable limits. They supply us with credit information including from the electoral register. They will record the enquiries we may make about you and details of your history with us. They may use this information for statistical analysis about credit, insurance and fraud.

We may also pass information to financial and other organisations involved in fraud prevention to protect our clients and us from theft and fraud. If you give us false or inaccurate information and we suspect fraud, we will record this.

Your Rights

You have the right of access to your personal records held by us and details of the responsible third parties to whom we have supplied, and from whom we have received, information about you upon request and upon payment of a fee. You also have the right of access to personal data held by credit insurance agencies that we use. We can supply their name and address upon request.

SCHEDULE A

SUPPLEMENTAL CONDITIONS FOR THE SUPPLY OF MOBILE TELEPHONY PRODUCTS DEFINITIONS

In this Schedule A and the following Schedules B to F the following words have the following meanings:

3	Hutchison Whampoa T/A "3"
O2	MMO2 T/A O2
Customer	a customer of the Services.
End User	a person who enters into an airtime agreement with a Network Operator or who buys equipment (eg SIM cards) from the Company;
Orange	Orange Personal Communications Services Limited.
T-Mobile	Mercury Personal Communications Limited trading as T-Mobile
Network Operator	O2, Orange, T-Mobile or Vodafone, or "3" subsidiary or group company of MMO2, Orange, T-Mobile or Vodafone, or any other network operator, or its subsidiary or group company.
Price Books	the price, commissions and other tariffs lists issued or notified by the Company from time to time in respect of Products and Services.

Procedures Books	any manual or document setting out procedures in relation to the supply and sale of Products and Services issued by the Company and networks from time to time.
Products	such products (including airtime and Services) and equipment offered from time to time by the Company and obtained from a Network Operator.
Rechip	software alterations to affect handset credit or call costing.
Services	such telecommunication services as are offered by a Network Operator from time to time.
Value Added Services	any services over and above voice transmission services as are offered by a Network Operator from time to time.
Vodafone	Vodafone Connect Limited

APPLICATION OF SCHEDULES A TO F

2.1 The following supplemental conditions of this Schedule A apply in respect of sales by the Company to the Buyer of mobile telephones and related equipment and services and such conditions (the "Supplemental Conditions") are additional to, and not a substitution of, the preceding conditions of supply ("Conditions of Supply"). The Supplemental Conditions apply in respect of sales of all Products.

2.2 The conditions in Schedules B, C, D, E & F ("Further Supplemental Conditions") only apply in respect of sales of Products of Orange (Schedule B), T-Mobile (Schedule C), O2 (Schedule D) Vodafone (Schedule E) and 3 (Schedule F). In the event of conflict between the Conditions of Supply, the Supplemental Conditions and the Further Supplemental Conditions the provisions of Further Supplemental Conditions will take precedence, followed by the provisions of the Supplemental Conditions followed by the provisions of the Conditions of Supply. Defined terms shall have the same meaning in the Conditions of Supply, the Supplemental Conditions and the Further Supplemental Conditions.

2.3 The Company reserves the right at any time by notice to the Buyer in Writing, via the web or network price books to change the terms of any or all of the Supplemental Conditions and the Further Supplemental Conditions and to incorporate additional Further Supplemental Conditions into these Conditions.

3. COMPLIANCE

3.1 The Buyer undertakes to comply in all respects and at all times with all relevant legislation including any directions resulting from directions made by Ofcom or the Secretary of State for Trade and Industry, the rules of the Mobile Communications Crime Prevention Scheme (the "Scheme") as amended from time to time and as established by the Federation of Communications Services Limited ("FCS"), details of which are available on request from the Company and are also available from the Crime Prevention Inspectorate, FCS, Provident House, Burrell Row, Beckenham, Kent BR3 1AT (Telephone 0208 249 6363)

3.2 The Buyer warrants that at the date of this Contract it is of Good Standing as defined in the Scheme and that it is not aware that any advice of intention to issue a notice of breach of the rules of the Scheme has been or will be issued against it.

3.3 This Contract shall terminate automatically if a notice of breach of the rules of the Scheme is issued to the Buyer at any time or if the Buyer fails at any time to comply with the Scheme.

3.4 The Buyer shall not do or cause to be done anything which it knows or has reasonable cause to believe would cause the Company to be in breach of any of its obligations to the Network Operator and will indemnify and keep the Company indemnified against all actions, claims or demands by the Network Operator caused or arising out of any breach by the Buyer of its obligations under this Contract.

3.5 The Buyer shall not directly or indirectly be involved or knowingly, recklessly or negligently permit any other person to be involved in any Fraud and shall notify the Company immediately upon becoming aware of any Fraud and the Buyer will implement without delay and comply with such procedures and rules advised by the Company or the Network Operator from time to time concerned with Fraud. Failure to comply with such procedures and rules shall be regarded as a material breach of this Contract. "Fraud" shall include (without limitation) (i) theft, fraud and/or deception (whether actual or attempted) in relation to any Products sold by the Buyer and/or the promotion and marketing of the Products and/or (ii) unauthorised and/or unlawful use (whether actual or attempted) of the Products and/or any equipment sold by the Buyer.

3.6 The Company and/or the Network Operator shall be entitled to reject any order for the Products for any reason in particular, but without limitation, if the proposed customer fails to meet the Network Operator's requirements as to credit worthiness or the Buyer is in breach of any of the provisions of this Contract. No commissions, bonuses or other payments shall be liable to be made to the Buyer in connection with any order which is rejected.

4. OBLIGATIONS OF THE BUYER

4.1 The Buyer agrees to use its best endeavours to promote and procure orders for the Products and to procure End Users for the Services.

4.2 The Buyer shall ensure that the procedures set out in the Procedures Books ("the Procedures") are complied with fully. Any misuse or failure to comply with the Procedures will entitle the Company to terminate this Contract.

4.3 The Buyer shall notify the Company immediately and the Company shall (other than under clause 4.3.5 below) be entitled to terminate this Contract immediately if it:

4.3.1 suffers a change of control whether by a change in the ownership of shares or otherwise, and "control" shall have the meaning attributed to it in Section 840 of the Income and Corporation Taxes Act 1988; or

4.3.2 is unable to pay its debts (within the meaning of Section 123 of the Insolvency Act 1986) makes or offers to make any arrangements or composition with any of its creditors or commits any act of bankruptcy, or if any petition or receiving order in bankruptcy is presented or made against it or if any resolution or petition to wind it up (being a limited company) is passed or presented otherwise than for reconstruction or amalgamation or if a receiver, administrator or manager of its (as the case may be) undertaking, property or assets or any part thereof is appointed; or

4.3.3 being an individual dies or being a partnership is dissolved or in any case if it commits any acts of bankruptcy or has a receiving order made against it or makes or negotiates for any compensation or arrangement with, or assignment for, the benefit of its creditors or suffers or takes any similar action in consequence of a debt; or

4.3.4 ceases trade; or

4.3.5 changes the address of any of its premises.

4.4 The Buyer shall co-operate with the Company and comply with its reasonable directions, particularly with regard to standards of promotion, quality, service and marketing which may be advised by the Company to the Buyer from time to time. In particular the Buyer agrees to utilise all point of sale material supplied by the Company and to provide in advance to the Company for its prior approval any copies and samples of advertising publicity, promotional and material concerning the Products and Services and to employ qualified staff as will properly provide for sales, advisory, installation, repair and after sales service of the Products. The failure by the Buyer to use only promotional materials approved by the Distributor will entitle the Distributor to terminate this Contract.

4.5 Any sale leads passed to the Buyer by the Company are to be used only for the purpose of obtaining customers for the Services as directed by the Company and use of sales leads by the Buyer for any other purpose will entitle the Company to terminate this Contract.

4.6 The Buyer shall not make any representations or warranties in respect of the Products or Services without the Company's prior written consent nor incur any liability on behalf of the Company

4.7 The Buyer shall submit to the Company not less than once a year a business plan in such form as the Company shall reasonably request.

4.8 The Buyer shall attend and shall ensure its staff attend such training as is necessary to fulfil the Buyer's obligations under the Contract.

4.9 This Contract and any ancillary agreements with any Network Operator shall not be deemed to create any partnership or employment relationship between the parties. The Buyer shall act as principal on its own account in all circumstances and shall not hold itself out as the agent of the Company or any Network Operator or purport to act on the Company's or any Network Operator's behalf in dealing with third parties. The Buyer shall not make any representations or warranties in respect of the Products without the Company's prior written consent nor incur any liability on behalf of the Company or any Network Operator.

4.10 The Company shall at any time and without prior notice be entitled to vary any of the terms of this Contract following any variation of any terms of any agreement it or the Buyer may have with any Network Operator.

4.11 The Buyer shall sell Products to End Users only.

4.12 The Buyer confirms that it has access to the internet and agrees on a weekly basis and on every occasion when it is advised in Writing by the Company to do so to visit the Website to inspect any changes which might be made from time to time to these Conditions.

4.13 The Buyer agrees to indemnify the Company in full in respect of all losses, costs, claims and expenses of any nature whatsoever that the Company might incur (including without limitation any clawback of commissions or bonuses or otherwise made by the Network Operator from the Company or as set out in clause 5.1) or as set out in clause 5.1 under any contract it may have entered into with a Network Operator as a result of the Buyer's breach of any of its obligations under this Contract.

4.14 The Buyer must ensure that it keeps property of the Network Operator and the Company (including, without limitation, sales promotional material) safe and, where appropriate, properly secured and in good condition at all times. It must also insure such property against loss, theft and damage up to its full replacement value and ensure that the Network Operator's and the Company's

interest in such property is noted on its relevant insurance policies. It must provide proof of such noting to the Network Operator and the Company when requested.

- 4.15 The Buyer must take such steps as may be reasonably required to assist End Users to obtain updates issued by the Network Operator of any software or hardware comprised in the equipment sold at any time by the Buyer. The Buyer shall inform End Users of the availability, if applicable, of the Company's network of service centres. Any service and installation work performed by the Buyer shall be carried out in accordance with the relevant schedule of the Agreement between the Network Operator and the Company.
- 4.16 The Buyer must not Rechip or knowingly connect cellular equipment which has been rechipped (unless with prior consent of the Network Operator for each particular case) or interfere with SIM Cards or assist any other person to Rechip and connect cellular equipment or interfere with SIM Cards.
- 4.17 The Buyer must comply with any and all applicable laws and regulations in connection with this Contract in respect of the selling, installing, maintaining and connecting of equipment and the provision of airtime and any services, and also in respect of running a business. In particular, and without limitation, the Buyer must comply with the Data Protection Act 1998 or such other replacement legislation. The Buyer shall indemnify the Company and the Network Operator against any and all liability resulting from the Buyer's failure to abide by such laws and regulations. The Company shall hold the benefit of such indemnity on trust for the Network Operator. The Buyer shall obtain promptly and maintain, at its expense, all necessary licences, certificates, permits or other documents as may be required by local authority law or local council regulations or by the United Kingdom Government or otherwise in order to sell the Products and Services.
- 4.18 Recommended Retail Prices as recommended by any Network Operator stated in the Price Book or any other document are shown for guidance only.
- 4.19 The Company may terminate this Contract immediately if the Buyer is engaged in any conduct which in the Network Operator's or the Company's opinion is prejudicial to the Network Operator's or the Company's interests, or if the Buyer is engaged in Fraudulent or other criminal trading activity.

5. CLAWBACK

- 5.1 The Company reserves the right to reclaim on demand in full or in part the equipment connection bonus or second hand equipment commission and talkplan/tariff commission as described in the Price Book and any clawbacks, refunds, costs, losses or expenses of any nature incurred by or payable by the Company to the Network Operator or to any third party in the following circumstances:
- 5.1.1 Where equipment is subsequently disconnected as a result of being returned under any money back guarantee or by agreement between the Buyer and the Customer, or by reason of non-payments of deposit or failure to supply proofs of identification and address.
- 5.1.2 Where the connection has been identified by the Network Operator as Fraudulent, including but not limited to where handsets are shipped abroad.
- 5.1.3 Where any payment due to an account has not been received by the Network Operator pursuant to an agreement between a Customer and Network Operator.
- 5.1.4 Where Value Added Services are sold and subsequently disconnected.
- 5.1.5 Where a Customer connected through mobile number transfer to a particular network is subsequently disconnected.
- 5.1.6 Where a Customer downgrades to a lower talkplan.
- 5.1.7 Where no applicable deposit has been paid by a Customer.
- 5.1.8 Where the Company is entitled to any clawback under any of the Schedules, B-F.
- 5.1.9 All circumstances where disconnection takes place within 120 days of connection.
- 5.2 Reclaimed commissions will be offset against future commission claims.
- 5.3 Disconnections/Fraudulent connections identified as above will be considered in assessing the accelerator and marketing bonus.
- 5.4 Prepaid handsets are sold at the stated prices on the condition that they are connected onto the relevant network. If the handsets are not connected to a genuine end user, the Company reserves the right to charge the Buyer an additional amount in respect of any costs, claims, expenses or clawbacks incurred by the Company as a result.
- 5.5 Any clawback subsequently repaid to the Company from the network will be credited to the buyers account upon receipt of the Company

6. STOCK CHECK/AUDIT

- 6.1 The Buyer agrees that the Company shall be entitled, during the term of this Contract and for a reasonable period thereafter, to undertake or arrange for auditors from time to time to inspect and make copies of the Buyer's books of account, records and contracts for the purpose of verifying payments due pursuant to this Contract.
- 6.2 The Buyer grants the Company, its agents, employees and representatives an irrevocable licence to enter upon the Buyer's premises and to inspect all or any of the Buyer's, stock, property, and records of whatsoever nature for any reasonable purpose in connection with this Contract, including without limitation, to enable the Company to check that the Buyer is complying with the terms of this Contract and any other contract which may have been entered into directly between the Buyer and a Network Operator.

7. PRICES AND PAYMENT

- 7.1 The Company shall offer Products and Services at such prices and on such conditions as are notified to the Buyer (usually via the Price Books but alternatively via any reasonable medium that the Company shall elect to use, including but not limited to the Website, or any hyperlinks contained therein) from time to time.
- 7.2 The Company reserves the right to amend and reissue the Price Books and Procedures Books at any time and with immediate effect. Any notification of amendments to the Price Books or Procedures Books by the Network Operator to the Buyer via the Network Operator's standard medium of notification shall be effective as if notified to the Buyer by the Company.

8. CONFIDENTIALITY

- 8.1 Each party agrees to keep confidential all information obtained by it under or in connection with this Contract or in respect of the other party's affairs or business. Neither party shall use or disclose such information or any part of it (except to the extent strictly necessary for the performance by it of its obligations under this Contract) without the prior written consent of the other party.
- 8.2 The restrictions in this clause 8 shall not apply to a party in relation to information which:
- 8.2.1 is in the public domain otherwise than by breach of this Contract; or
- 8.2.2 was previously in the possession of that party and which was not acquired in confidence directly or indirectly from the other party; or
- 8.2.3 is lawfully obtained by it from a third party who is free to disclose it otherwise than in confidence; or
- 8.2.4 a party is obliged to disclose by operation of law; or
- 8.2.5 is independently developed by it.
- 8.3 Where disclosure of information to a third party (including but not limited to party's employees and agents) is necessary for the performance by that party of its obligations under this Contract that party shall prior to such disclosure ensure that such persons know of the provisions of this clause 8 and have agreed to abide by them and, if requested by the other party, shall obtain duly binding undertakings to this effect from such persons in favour of the other party.
- 8.4 The obligations contained in this clause 8 shall continue in force notwithstanding the termination of this Contract.

9. GENERAL

- 9.1 The Company reserves the right to supply Products itself or elsewhere and/or to appoint other parties to do so.

SCHEDULE B

FURTHER SUPPLEMENTAL CONDITIONS OF SALE FOR ORANGE PRODUCTS DEFINITIONS

1.1 In this schedule the following words have the following meanings:

"Dealer/Retailer Agreement" : the terms and conditions from time to time in force pursuant to which the Buyer shall be appointed and which shall be issued by Orange to the Distributor.

"Dealer" : the Buyer.

"Customer Agreement" : the application or confirmation form to be completed by customers of the Services as may be amended by Orange from time to time.

2. GENERAL OBLIGATIONS OF THE BUYER

2.1 Connection fees shall be charged by Orange PCS LTD to the Customer's first bill and not collected at point of sale.

2.2 The Buyer shall endeavour to connect all Products within 14 days of receipt. Failure to achieve such connections will entitle the Company to have the Product returned to it upon request at the Buyer's cost.

2.3 The Buyer shall provide the Company via the Dealer connection claim form the required information of all Product sales.

2.4 The Buyer shall use its best endeavours to sell the Products at such prices and pursuant to the terms and conditions contained in the relevant Price Book for Orange PCS LTD Products and Services.

3. CLAWBACK

3.1 A clawback of commission will be made on all connections from 1 July 2000 where a Customer does not activate and use a second voucher after the inclusive airtime runs out within a 90 day period from date of connection.

4. PROCEDURES

4.1 The Buyer shall ensure the completion of Customer Agreements.

5. ORANGE PCS LTD NAME AND LOGO

5.1 The use of the Orange PCS LTD name and logo and title "Approved Buyer" or any other title implying authorisation or approval for advertising and stationery is strictly prohibited except as authorised by the Company and any breach will entitle the Company to terminate this Contract.

6. ADVERTISING AND PROMOTION

6.1 The Company may in its discretion provide materials and/or artwork for advertising and/or special promotions from time to time.

7. TERMINATION

7.1 Without prejudice to clause 14 of the Conditions of Supply the Company may terminate this Contract immediately in the event of any failure by the Buyer to comply with the terms of this Contract, conduct by the Buyer which in the Company's reasonable opinion could bring the name or reputation of Orange PCS LTD or the Company into disrepute or if the Company reasonably believes the Buyer to be insolvent or unable to pay its debts.

7.2 This Contract shall terminate immediately upon request by Orange PCS LTD for any reason whatsoever.

7.3 This Contract shall terminate immediately if Orange PCS LTD terminates its agreement with the Company for any reason.

SCHEDULE C

FURTHER SUPPLEMENTAL CONDITIONS OF SALE FOR T-MOBILE PRODUCTS

1. DEFINITIONS

1.1 In this Schedule C the following words shall have the following meanings:

"Authorised Stockist Agreement" (ASA): The authorised stockist agreement between T-Mobile and the Buyer (referred to therein as the "Authorised Stockist");

"Authorised Stockist Criteria" : The criteria set out in the document entitled "T-Mobile Authorised Stockist Criteria" which incorporates by reference the document entitled "Schedule of Minimum Performance Levels for Authorised Stockists" both as varied from time to time by T-Mobile;

Terms defined in the ASA shall have the same meaning in this Agreement.

2. CLAWBACK

The Company reserves the right to reclaim in full or in part the equipment connection bonus or second hand equipment commission and talkplan commission as prescribed in the T-Mobile Price Book where the Buyer has failed to comply with any of the provisions of clause 3.2 below and the Company has or is likely to suffer a loss as a result.

3. RECORD RETENTION

3.1 The Buyer shall maintain and retain for a period of six years following its submission of each statement or invoice true and accurate books of account and information contained in or on discs, tapes, documents or other records as may be reasonably required for calculation or verification of the amounts payable pursuant to this Contract.

3.2 The Buyer shall ensure that all completed contracts, with correct proofs, are sent to the Company as soon as possible with such proofs of identity and address as the Company may from time to time require.

4. DISCONNECTION

4.1 In addition to its rights under the Conditions of Supply or otherwise, the Company may if the Buyer has not paid any sum which is due to the Company or T-Mobile by the due date, permit T-Mobile, without prior notice to suspend the provision of the Services to, or disconnect from the PCN, any Smartcard used in conjunction with any Products used by the Buyer.

5. OBLIGATIONS

5.1 The Buyer shall procure that it meets and continues to meet the Authorised Stockist Criteria.

5.2 The Buyer shall notify the Company immediately if its agreement with T-Mobile is terminated, whether such termination is effected by T-Mobile or by the Buyer.

5.3 The Buyer undertakes to the Company to comply at all times with the terms of the ASA.

6. TERMINATION

6.1 This Contract may be terminated by the Company immediately if the ASA is terminated for any reason, or if the Distributor Agreement between the Company and T-Mobile is terminated for any reason.

7. NO AGENCY

7.1 The Buyer acknowledges and agrees that in relation to all Products supplied under this Agreement or the ASA it acts as buyer and reseller only and that in relation to all services supplied under such agreements it acts as agent only and that the Commercial Agents Regulations and related EC directives do not apply to either agreement or to any activities contemplated by them. For the avoidance of doubt, where this Agreement or the ASA is terminated for any reason the Buyer shall have no claim against the Company or T-Mobile for loss of agency rights, loss of goodwill or any similar or dissimilar loss howsoever or wheresoever arising and no indemnification, compensation, damages or the like shall be payable by the Company to the Buyer as a consequence thereof.

8. GENERAL

8.1 The clauses in the ASA dealing with force majeure, confidentiality waiver, governing law and notices (save that references to T-Mobile shall be treated as though they were references to the Company and the address to be used in the case of the Company shall be that set out on the front of the Confidential Trade Application Form) shall apply in this Agreement also.

8.2 The Buyer undertakes to indemnify the Company against all liabilities, claims, demands, actions, costs, damages or loss arising out of any act or omission or breach by the Buyer of the terms of this Contract or the ASA, including without limitation any liability the Company may have to T-Mobile as a result.

SCHEDULE D

FURTHER SUPPLEMENTAL CONDITIONS OF SALE FOR MMO2 PRODUCTS

In this Schedule the following words and phrases have the following meanings:

1. DEFINITIONS

BABT	the British Approvals Board for Telecommunications;
O2 Airtime	O2 Airtime for the TACS or the GSM service including Pre-Pay Packages;
O2 Property	items belonging to O2 or a third party and provided by or on behalf of O2 to the Company for use in connection with this Agreement;
ESN	the Electronic Serial Number contained in a mobile phone operating on O2 TACS airtime;
Fraud	any act or omission by the Company in relation to this Agreement which (i) does not follow the procedures prescribed in this Agreement (including the Scheduler) or in any other document or electronic file or email communicated by O2 to the Company from time to time amending or adding to such procedures, or (ii) in the reasonable opinion of O2 would be a criminal offence (including, without limitation, any theft or obtaining of property or services by deception);
GSM	the O2 digital cellular radio service operating in accordance with the international Group Special Mobile specification;
Pre-Pay Package	a pre-pay mobile phone and associated contract branded "U", "EasyLife", "Pay & Go" or "Business Pay & Go" or any replacement brand introduced from time to time which has been activated on the O2 Network or any other offerings as O2 may choose to introduce from time to time;
TACS	the O2 analogue cellular radio service operating under the UK Total Access Communications System Mobile Station to Land Station Compatibility Specification.

2. APPOINTMENT

2.1 This Contract is subject to the Company registering the details of the Buyer with O2 and O2 consenting in writing to the appointment of the Buyer.

3. TERM

3.1 This Contract shall continue unless terminated on not less than 3 months' prior written notice by either party giving to the other party at any time and expiring no earlier than 12 months after the date of this Contract.

3.2 This Contract shall terminate immediately if the agreement between the Company and O2 is terminated.

4. ROLE AND RESPONSIBILITIES OF THE BUYER

4.1 The Buyer will ensure that airtime connections are to O2 Cellular Airtime via the Company regardless of the source of the equipment.

5. END USER ADMINISTRATION

5.1 The Buyer shall act as agent for the Company in connection with the following:

- 5.1.1 the completion of O2 documentation for the use of O2 Products by the End User, including appropriate application forms for O2 Cellular Airtime and the collection of any deposit required by O2;
- 5.1.2 liaison with End Users, at the request of O2 or the Company, who have received individual "outward call barring" or "taken out of service" notification from O2;
- 5.1.3 End User requests to cease or terminate service in accordance with practices and procedures laid down by O2 from time to time;
- 5.1.4 any follow up on any assignment of a O2 Cellular Airtime Agreement between O2 and an End User in accordance with timescales and procedures laid down by O2 from time to time; and

5.2 the Buyer shall indemnify the Company against any costs and losses which the Company may incur as a result of (i) any discrepancies arising due to the negligence of the Buyer or its employees between application details for O2 Cellular Airtime sent by fax to the Company and the original form signed by the End User actually received by the Company; or (ii) any misrepresentations by the Buyer or its employees in the course of the selling of and the making of connections to O2 Cellular Airtime to End Users.

BUYER OPERATIONAL OBLIGATIONS

6.1 Quality Standards

The Buyer must be registered under appropriate quality standards as specified by O2. If the Buyer is not already registered or has not applied for registration it must produce to the Company's nominated manager not later than 60 days after the Buyer's date of the Agreement a written plan under which the Company shall procure its registration by the appropriate standards body.

The Buyer must not offer to sell O2 Cellular Airtime for connection to an End User's equipment which is not BABT approved, or equipment where the ESN does not correspond to the original ESN or manufacturer's serial number for the equipment.

6.2 In all matters connected with this Agreement the Buyer must deal solely with the Company and not directly with O2 and must quote the Source of Sale code issued by the Company which O2 has issued to the Company on all correspondence passing from the Buyer to the Company.

7. SALES TARGETS AND BONUSES

The Buyer shall be eligible to earn bonus payments under this Agreement. Details of the available bonuses and the criteria against which the Buyer's eligibility for such bonuses are to be measured will be agreed by the Company and the Buyer from time to time.

8. THE COMPANY'S OBLIGATIONS AND RIGHTS

8.1 The Company agrees to:

- (a) use all reasonable endeavours to supply quantities of the Equipment sufficient to meet the resale requirements of the Buyer;

- (b) credit assess all potential airtime users;
 - (c) keep the Buyer informed of any enhancements or modifications to the Equipment or air time performance or new calling plans or associated technical information together with other relevant sales and marketing information; and
 - (d) assist the Buyer to service its customers who are connected to O2 Cellular Airtime and who require new mobile phone equipment.
- 8.2 The Company may reclaim from the Buyer any or all bonuses and any airtime for O2 Cellular Airtime connections sold or for Equipment sold or activated which have been credited to the Buyer together with any airtime debt in the event that:
- (i) credit vetting or other information supplied to the Company by the Buyer is false or in the Company's or O2's reasonable opinion misleading; or
 - (ii) an End User introduced by the Buyer incurred an obligation to make a payment in respect of the use of O2 Cellular Airtime without in the Company's reasonable opinion an intention that such payment would be made; or
 - (iii) an End User terminates their O2 Cellular Airtime Agreement or fails to activate their Pre-Pay Package.

9. SECURITY AND FRAUD

The Buyer must:

- 9.1 keep all details of End Users' O2 Cellular Airtime Agreements and connections secure;
- 9.2 use best endeavours to ensure that, in particular and without limitation, details of End Users' mobile numbers, ESNs and SIM Cards are not released to anyone other than an authorised O2 employee and are not stolen;
- 9.3 adhere to any security procedures and rules which may be published or issued from time to time by O2; and
- 9.4 ensure that it observes all instructions issued by O2 regarding fraud and crime prevention; including but not limited to the provisions of the Federation of Communication Services Limited Crime Prevention Scheme in force and as amended from time to time.

10. TERMINATION

- 10.1 Without prejudice to any other rights that may be available at any time, the Company shall have the right by giving at any time written notice to the Buyer to terminate this Contract if:
- 10.1.1 the Buyer misuses the O2 logo or other O2 trade marks or the O2 Corporate Mark;
 - 10.1.2 or the Company agreement between O2 and the Company is terminated for any reason whatsoever
 - 10.1.3 or the Buyer fails to achieve a minimum of 5 new GSM connections per month on O2 Cellular Airtime Agreements to O2's calling plans (excluding any Pre-Pay Packages).

SCHEDULE E

FURTHER SUPPLEMENTAL CONDITIONS OF SALE FOR VODAFONE PRODUCTS

1. SUB-DISTRIBUTORS AND AGENTS

The Contract is subject to the Company obtaining the prior written consent and approval of Vodafone.

- 2. The Buyer shall not grant to any sub-distributor or sub-agent any right to sub-contract or sub-delegate any of its rights and obligations in relation to the promotion and marketing of the Products and/or Services without the prior written consent of the Company.

SCHEDULE F

FURTHER SUPPLEMENTAL CONDITIONS OF SALE FOR "3" PRODUCTS

For the avoidance of doubt, these mandatory terms shall be in addition to any other terms and conditions Distributor wishes to include in its Approved Stockist Agreement with any Approved Stockist.

- 1. Appointment as Approved Stockist
 - 1.1 The Approved Stockist is appointed to be a non-exclusive representative to (i) market and promote the 3 Services and introduce Customers to H3G for 3 Services and to provide support to Customers; and (ii) to market, promote and sell Equipment (purchased from Distributor) to Customers on the terms and conditions of, and in accordance with, this Approved Stockist Agreement.
 - 1.2 The Approved Stockist shall agree to use its reasonable endeavours to promote the Equipment and 3 Services and to procure Customers for the 3 Services.
- 2. General Obligations of Approved Stockist
 - 2.1 The Approved Stockist shall co-operate with Distributor and/or H3G's reasonable directions, particularly with regard to standards and quality of promotion and service and any Bulletins issued by H3G from time to time.
 - 2.2 The Approved Stockist must obtain all licences, permits and approvals necessary or advisable for the sale of any Equipment and for the performance of its obligations under this Approved Stockist Agreement.
 - 2.3 If the Approved Stockist wishes to order Equipment, the Approved Stockist must submit an Order to Distributor using its stockist sales code for Equipment and the procedure nominated by Distributor from time to time in accordance with the terms agreed between the Approved Stockist and Distributor.
 - 2.4 The Approved Stockist must immediately notify Distributor if Equipment within its possession is stolen, lost, damaged or tampered with.
 - 2.5 If the Approved Stockist wishes to sell by a Means of Distance Communication, the Approved Stockist must notify Distributor and assist Distributor in providing any information required by H3G. The Approved Stockist shall comply with any instructions issued to it regarding sales by Means of Distance Communication.
 - 2.6 In each of the Approved Stockist's premises used for the sale and promotion of Equipment and/or 3 Services (unless advised otherwise in writing):
 - 2.6.1 the linear wall space dedicated to the demonstration and display of Equipment and 3 Services must equal at least 2 continuous metres;
 - 2.6.2 power outlets must be available as necessary;
 - 2.6.3 the window space dedicated to the demonstration and display of Equipment and 3 Services must equal at least 50% of the window space in each retail premise for a minimum of 5 months in each year (one of these months to be December);
 - 2.6.4 not less than 20% of the in-store environment used to display mobile networks must be dedicated to the demonstration and display of Equipment and 3 Services; and
 - 2.6.5 there must be at least one employee with expertise in the Equipment and 3 Services when each Approved Stockist premises are open for business.
 - 2.7 The Approved Stockist acknowledges and agrees that the contract for the sale of the Handset is between Approved Stockist and each Customer and Approved Stockist must not in any way suggest otherwise.
 - 2.8 Any sales leads passed to the Approved Stockist are to be used only for the purpose of obtaining customers for any of the 3 Services and any misuse of sales leads will entitle Distributor to

- terminate the Approved Stockist's appointment.
- 2.9 The Approved Stockist must not encourage, procure or assist any third party to introduce (whether directly or indirectly) Customers to H3G for the provision of 3 Services.
- 2.10 The Approved Stockist shall not make any representations or warranties in respect of the Equipment or 3 Services without Distributor's prior written consent nor incur any liability on behalf of Distributor or H3G.
- 2.11 The Approved Stockist shall submit to Distributor not less than once a year a business plan in such form as Distributor shall reasonably request.
- 2.12 The Approved Stockist shall attend and shall ensure that its staff attend such training as Distributor (or H3G) shall deem necessary to fulfil the Approved Stockist's obligations under this appointment.
- 2.13 The Approved Stockist shall observe and comply with all relevant legislation, statutory instruments and any direction of Distributor and/or H3G resulting from directions or recommendations made by OFCOM (or its equivalent successor) or the Secretary of State for Trade and Industry.
- 2.14 Approved Stockist must keep secret and confidential all Confidential Information disclosed to it and shall not disclose such Confidential Information save with the prior written consent of the person whose Confidential Information is being disclosed (such consent to disclose may be subject to the recipient being bound by obligations equivalent to those set out in this agreement), except where Approved Stockist can show the Confidential Information is in or has become part of the public domain other than as a result of a breach of the obligations of confidentiality under this Approved Stockist Agreement.
- 2.15 Approved Stockist acknowledges that the Customer Information is a valuable and confidential asset of H3G and that H3G own all Customer Information relating to 3 Services.
- 2.16 The Approved Stockist agrees that in respect of any Customer Information or other personal data contained in the Confidential Information of H3G that it may process on behalf of H3G that at all times:-
2.16.1 it will comply with the seventh principle of the Data Protection Act 1998; and
2.16.2 it will act solely in accordance with H3G's instructions.
- 2.17 Where applicable, expressions defined in the Data Protection Act 1998 and used herein shall have the meaning given to them in the Data Protection Act 1998. Approved Stockist must not:
2.17.1 use any Customer Information for any reason other than for the purpose of performing its obligations under this Approved Stockist Agreement;
2.17.2 disclose any Customer Information to any person other than to H3G or the Customer to whom it relates;
2.17.3 sell, transfer, rent or otherwise deal with any Customer Information;
2.17.4 unless approved in writing by H3G, create any database containing Customer Information; or
2.17.5 use any Customer Information in any mailing, cold calling or other marketing activity involving the promotion of products and/or services of any competitor of H3G even if such marketing activity also involves the promotion of H3G products and/or services.
- 2.18 The Approved Stockist shall ensure that such of its employees, servants and agents, at all times:
2.18.1 keep secure all Customer Information; and
2.18.2 confine the distribution of completed Registration Forms and any Customer Information to those who need access to it for the purpose of complying with this Approved Stockist Agreement;
2.18.3 observe the provisions of clauses 2.16 and 2.17 above and this clause 2.18 in respect of any duties or obligations to be performed in connection with the processing of Customer Information on H3G's behalf.
- 2.19 The Approved Stockist shall ensure that all procedures notified by Distributor including, but not limited to, Customer Registration Process, credit checking and provision of the Customer Terms for 3 Services to Customers are fully complied with.
- 2.20 The Approved Stockist shall ensure that it meets the key performance indicators notified to it by Distributor.
- 2.21 The Approved Stockist must fully indemnify and hold harmless Distributor and/or H3G (and its directors, officers, employees and agents) ("Indemnified Parties") from and against any losses, damages, costs (including legal fees) and expenses suffered or incurred by the Indemnified Parties or awarded by a court of competent jurisdiction against the Indemnified Parties as a result of or in connection with any claim or action arising out of:
2.21.1 any breach by Approved Stockist of this Approved Stockist Agreement;
2.21.2 any breach by Approved Stockist of the Customer Registration Process;
2.21.3 any claim brought by a third party in relation to an act or omission of the Approved Stockist; or
2.21.4 any breach by Approved Stockist of any statute or regulation.
- 2.22 The Approved Stockist shall comply with all reasonable instructions issued by the Distributor or H3G.
- ### 3 H3G Intellectual Property and Marks
- 3.1 All Intellectual Property Rights in the 3 Services, the Confidential Information of H3G and the H3G Marks are the property of H3G ("H3G IP").
- 3.2 Approved Stockist acknowledges that its right to use H3G IP is only as expressly set out in this Approved Stockist Agreement. Approved Stockist acknowledges and agrees that its use of the H3G IP pursuant to this Approved Stockist Agreement does not give Approved Stockist any rights, title or interest in the H3G IP except the right to use the H3G IP as expressly permitted by this Approved Stockist Agreement, and that all goodwill in or associated with the H3G IP, including any goodwill generated by or arising through Approved Stockist's activities under this Approved Stockist Agreement accrue for the benefit of, and belong exclusively to, H3G or any other party nominated by H3G.
- 3.3 If, for the purposes of Approved Stockist performing any of its obligations under this Approved Stockist Agreement, it is necessary for Approved Stockist to use any software provided by H3G ("Software"), then Distributor shall arrange for H3G to grant to Approved Stockist a non-exclusive, non-transferable licence to use the Software in accordance with H3G's direction and licence terms and solely for the purpose of fulfilling Approved Stockist's obligations under this Approved Stockist Agreement. Approved Stockist acknowledges and agrees that, to the maximum extent permitted by applicable law, H3G disclaims all warranties, conditions or terms, whether express or implied, including implied warranties, conditions or terms of satisfactory quality or fitness for a particular purpose with respect to the Software, any installation of the Software and any accompanying documentation. Approved Stockist acknowledges and agrees that H3G will not have any liability for any loss of, damage to, or corruption of, data caused by the installation and/or use of the Software by Approved Stockist. Such licence will automatically terminate at the same time that the Approved Stockist's appointment under this Approved Stockist Agreement is terminated for any reason.
- 3.4 From time to time, Approved Stockist may be permitted to use the H3G Marks. In using the H3G Marks, Approved Stockist must:
3.4.1 comply with the H3G Brand Guidelines set out in Appendix A to this Approved Stockist Agreement;
3.4.2 ensure that each reference to and use of the H3G Marks is in accordance with any written instructions from H3G or Distributor;
3.4.3 observe H3G's Marketing Guidelines and directions regarding the use of the H3G Marks notified by H3G or Distributor, particularly in respect of all Advertising Materials, websites and signage;
3.4.4 submit details of any use of the H3G Marks to H3G at the address notified to Approved Stockist for prior approval at least ten (10) Working Days before use by Approved Stockist. H3G may refuse any use in its absolute discretion.
- 3.5 Approved Stockist must not:
3.5.1 Alter, destroy, cover or remove any H3G Marks; or
3.5.2 Affix its own trade mark (or that of a third party), either in addition to or in place of any existing H3G Marks; affixed to any Equipment or packaging supplied by or on behalf of H3G or Distributor under this Approved Stockist Agreement.
- 3.6 Approved Stockist must not licence, permit or otherwise authorise any third party to use the H3G Marks.
- 3.7 Approved Stockist must immediately inform H3G and Distributor if Approved Stockist becomes aware of any improper or wrongful use by any person of the H3G IP.

- 3.8 Approved Stockist must not do, cause or authorise to be done, anything which may impair, damage or be detrimental to the reputation or goodwill associated with H3G, Equipment, 3 Services or the H3G IP, which may adversely affect the value or validity of the H3G IP, or which may bring the H3G IP into disrepute or which may jeopardise or invalidate any registration or application of registration of the H3G IP or H3G's title to the H3G IP.
- 3.9 Approved Stockist must not use, register, attempt to use or attempt to register the words "H3G", "3G", "3", the H3G Marks or any confusingly similar name or mark in its business, including any website domain name, trade name or company name without first having obtained the prior written permission of H3G which may be refused in H3G's absolute discretion. Approved Stockist agrees to comply with all reasonable conditions and instructions (if any) that H3G may attach to the granting of such permission.
- 3.10 Approved Stockist must not register, anywhere in the world, the H3G Marks or any other trade mark which, in H3G's opinion, is identical or confusingly similar to the H3G Marks.
- 3.11 During the term of this Approved Stockist Agreement, Distributor may obtain H3G's approval and agreement from time to time for the Approved Stockist and H3G to produce Jointly Branded Advertising Materials. Where Distributor obtain such agreement and approval from H3G to produce Jointly Branded Advertising Material the following will apply:
- 3.11.1 the responsibility for costs of production and distribution of such Jointly Branded Advertising Materials will be agreed at the time;
- 3.11.2 either H3G or Approved Stockist (the "Creator") must submit all elements of the Jointly Branded Advertising Materials to the other (the "Recipient") for its approval;
- 3.11.3 if the Recipient rejects any element of the Jointly Branded Advertising Materials submitted by the Creator for approval, the Creator will work with the Recipient to resolve any outstanding issues and continue to resubmit such Jointly Branded Advertising Materials until:
- 3.11.3.1 the Recipient gives its approval; or
- 3.11.3.2 the Recipient notifies the Creator that the re-submitted Jointly Branded Advertising Materials do not comply with the Recipient's reasonable requirements in which case the parties will not proceed with the Jointly Branded Advertising Materials.
- 3.11.4 each of H3G and Approved Stockist must approve the use of its intellectual property and each will have absolute discretion to refuse the use of its intellectual property in the Jointly Branded Advertising Materials; and
- 3.11.5 each of Approved Stockist and H3G shall grant the other party a non-exclusive licence to use the other party's intellectual property for the purposes of producing Jointly Branded Advertising Materials subject to each party's compliance with the approval process set out above and any other conditions imposed by a party. Such licence will automatically terminate at the same time the Approved Stockist's appointment under this Approved Stockist Agreement is terminated for any reason.
4. Insurance
- 4.1 Without limiting its other obligations under this Approved Stockist Agreement or otherwise at law, Approved Stockist must effect and maintain at its own expense with a reputable insurance company the following insurance policies ("Insurance Policies") with worldwide jurisdiction for a period from the date of this agreement until three (3) years after the termination of this agreement and such other insurances as may reasonably be required by Distributor or law:
- 4.1.1 employers' liability insurance with minimum insuring limits of £10 million;
- 4.1.2 "commercial combined" insurance; and
- 4.1.3 third party insurance with minimum insuring limits of £5 million per occurrence covering the legal liability of Approved Stockist and Distributor for injury to persons to include loss or damage caused by infringement of privacy or loss or damage to property arising out of the performance of this agreement by or for Approved Stockist. The policy must contain an "indemnities to principals" clause.
- 4.2 Approved Stockist must provide Distributor with copies of certificates of insurance and/or proof of payment of premiums on Distributor's request. If Approved Stockist fails to effect and keep in force the Insurance Policies or to provide copies of the Insurance Policies or premium receipts to Distributor, then Distributor may effect and keep in force any such insurance and pay such premiums as may be necessary for that purpose and recover from Approved Stockist whether by way of deduction or otherwise.
5. Termination & Consequences of Termination
- 5.1 Distributor shall be entitled to terminate this appointment immediately if:-
- 5.1.1 required to do so by H3G for any reason; or
- 5.1.2 the Approved Stockist is in breach of the agreement and such breach is incapable of remedy or the breach continues unremedied for 14 days after Approved Stockist receives written notice requiring it to remedy such breach; or
- 5.1.3 the Approved Stockist has failed to account or make payment as required under this agreement within 14 days following service of written notice; or
- 5.1.4 the Approved Stockist goes into voluntary or involuntary liquidation or is declared insolvent either in bankruptcy proceedings or other legal proceedings, or has begun negotiations with its creditors or an agreement with its creditors has been reached due to its failure or inability to pay its debts as they fall due or a receiver or administrative receiver is appointed over the whole or part of its business; or
- 5.1.5 there is a change in the person having possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise); or
- 5.1.6 Approved Stockist sells or transfers a substantial part of its business; or
- 5.1.7 in any Month, Approved Stockist fails to achieve any one of the key performance indicators notified to it by Distributor; or
- 5.1.8 in the event that any licence, permission or authorisation necessary for the provision of the 3 Services by H3G is revoked
- 5.2 This Approved Stockist Agreement may be terminated by either party on giving not less than 30 days written notice to the other.
- 5.3 On termination of this Approved Stockist Agreement:
- 5.3.1 Approved Stockist must:-
- (i) within seven days send to Distributor, or otherwise dispose of in accordance with Distributor's directions, all Marketing Guidelines, Advertising Materials and Registration Forms in the Approved Stockist's possession;
- (ii) immediately cease to promote, market or advertise the 3 Services; and
- (iii) immediately cease using the H3G IP;
- 5.3.2 Approved Stockist must return all USIMs in its possession or control at that time;
- 5.3.3 Approved Stockist must return Equipment provided to Approved Stockist for demonstration purposes.
6. Stock Check/Audit
- 6.1 The Approved Stockist will allow Distributor's representative and/or H3G access to the Approved Stockist's premises from time to time for the purpose of stock checking or for any other reasonable purpose in connection with this appointment.
- 6.2 The Approved Stockist agrees that Distributor shall be entitled, during the term of this appointment and for a reasonable period thereafter, to undertake or arrange for audits from time to time to inspect and make copies of the Approved Stockist's books of account records and contracts for the purpose of verifying payments under this appointment.
7. Property and Risk
- 7.1 The stock of Equipment shall be at the Approved Stockist's risk from delivery of the Equipment to the Approved Stockist's premises.
- 7.2 Title in the Equipment shall remain with Distributor until Distributor has received payment in full for all Equipment whatsoever supplied to the Approved Stockist, together with VAT, interest payable and all other amounts due from the Approved Stockist to Distributor. Until payment in full has been made the Approved Stockist shall hold the Equipment in a fiduciary capacity for Distributor separate from any other assets and clearly marked as Distributor's property and Distributor shall be entitled to require the Approved Stockist to deliver up to Distributor the Equipment or any of it on demand. If the Approved Stockist fails to deliver up the Equipment immediately on demand Distributor shall be entitled on reasonable prior notice to enter the Approved Stockist's premises for the purpose of collecting the Equipment or any of it. The Approved Stockist will bear the cost of Distributor removing any such Equipment from the Approved Stockist's premises.
- The Approved Stockist may sell the Equipment by way of bona fide sale in the course of business but may not otherwise deal with, sell, part with possession of or otherwise dispose of or handle any of the Equipment sold hereunder until title has passed to the Approved Stockist in accordance with clause 7.2 above.

- 7.4 Distributor may at any time immediately revoke the Approved Stockist's power of sale by written notice if the Existing Stockist is in default for longer than seven days in the payment of any sum whatsoever due to Distributor or if any bill of exchange, cheque or other negotiable instrument drawn or accepted by the Approved Stockist in favour of Distributor is dishonoured on presentation for payment or if Distributor has reasonable grounds for doubting the Approved Stockist's solvency. Furthermore, the Approved Stockist's power of sale shall automatically cease if a receiver is appointed over any of the assets or the undertaking of the Approved Stockist's business or a winding up petition or order is presented or made against the Approved Stockist or the Approved Stockist goes into voluntary liquidation or calls a meeting or makes any arrangement or composition with creditors or commits an act of bankruptcy.
- 7.5 Should Distributor revoke the Approved Stockist's power of sale, the Approved Stockist will place the Equipment at the disposal of Distributor who shall be entitled on reasonable prior notice to enter the Approved Stockist's premises for the purpose of collecting the Equipment or any of it. The Approved Stockist will bear the cost of Distributor removing any such Equipment from the Approved Stockist's premises.
- 7.6 Where any of the Equipment is sold to a third party before title to it has passed to the Approved Stockist, that sale will constitute a sale by the Approved Stockist of Distributor's property and accordingly the Approved Stockist will hold Distributor's part of the proceeds of that sale on trust for Distributor. In such circumstances Distributor shall be legally and beneficially entitled to proceeds of sale and the Approved Stockist's shall pay any proceeds into a separate bank account or otherwise shall ensure that all such proceeds are kept by or on the Approved Stockist's behalf in a separate and identifiable form for Distributor's sole benefit. In particular, but without prejudice to the generality of the foregoing, the Approved Stockist shall not pay the proceeds of sale into any bank account which is overdrawn.
- 7.7 Until full title has passed to the Approved Stockist or until the Equipment have been sold to a third party under clause 7.6 above the Approved Stockist shall at all times keep the Equipment comprehensively insured in an amount at least equal to the balance of the Price inclusive of VAT and interest outstanding. The policy shall bear an endorsement recording Distributor's interest and the Approved Stockist shall produce a copy of such policy on demand from Distributor.
8. Miscellaneous
- 8.1 Neither party shall assign, sub-contract, transfer, charge or make over this appointment or any of its rights or obligations without the other's prior written consent.
- 8.2 The Approved Stockist shall ensure that each member of the Approved Stockist's staff attends training relating to the 3 Services.
- 8.3 The Approved Stockist shall act as principal on its own account in all circumstances and shall not hold itself out as the agent of Distributor or H3G or purport to act on Distributor or H3G's behalf in dealings with third parties.
- 8.4 The Approved Stockist shall not appoint or purport to appoint any stockists, dealers or sub-dealers.

Appendix A

H3G BRAND GUIDELINES

Where Approved Stockist is entitled to use H3G Marks in accordance with the Approved Stockist Agreement, Approved Stockist must:

1. strictly abide by and observe H3G's instructions, requirements, directions and specifications regarding colour references and style guides for reproduction of the H3G Marks, and in particular Approved Stockists must abide by and observe the Brand Central (the extranet through which Approved Stockists will have access to any applicable guidelines and branded material as notified to Approved Stockists from time to time);
2. only apply the H3G Marks to materials that comply with H3G's written approval;
3. ensure any trade mark/copyright notice specified by H3G (or such other notice as H3G may in writing require) is affixed adjacent to the H3G Marks or in any other position as H3G directs on all material using or incorporating all or any part of the H3G Marks;
4. not use the H3G Marks in juxtaposition or in conjunction with any other symbol, logo, mark or other means of identification or merchandising, except with the prior written approval of H3G;
5. not use the H3G Marks in a partial or fragmentary form but always in its complete form as depicted in accordance with H3G's written instructions (unless otherwise agreed in writing by H3G);
6. if cropping the H3G Marks, only do so in accordance with the cropping guide (as notified to Approved Stockists);
7. not use the H3G Marks on any product or other material (including stationery, business cards or correspondence or any other form of written communication) unless prior written approval is obtained from H3G;
8. not use the H3G Marks otherwise than as permitted by the Agreement or in any manner that would be in contravention of any law, regulation or applicable standard except in accordance with H3G's written instructions;
9. not cause or permit anything which may challenge, damage or endanger the H3G Marks or H3G's title to the H3G Marks or assist or allow any other person to do so except in accordance with H3G's written instructions;
10. not register or attempt to register any part of the names or words forming part of the H3G Marks or any work substantially identical or deceptively similar to as or as part of a business name or corporate name;
11. not register or attempt to register any part of the H3G Marks or any name, word, mark, design, emblem, visual representation or slogan substantially identical with or deceptively similar to as or as part of a trade mark or design;
12. not represent that it has any right, title or interest in the H3G Marks or in any application for registration of it or in any fraudulent, obvious or colour imitation of it other than pursuant to the rights expressly granted by this Agreement; and
13. not use any name, word, mark, design, emblem, visual representation or slogan similar or capable of being confused with any part of the H3G Marks."

WEBSITE

These website terms and conditions apply to the use of the United Kingdom website of phonesdirect.com and by accessing this website You agree to be bound by the terms and conditions set out below. If You do not agree to be bound by these terms and conditions You may not use or access this website.

1. DEFINITIONS

Website Conditions : these terms and conditions (which incorporate the standard conditions (see clause 2.2 below));

Online Sales : sales conducted through the Website;

Product: a product or service displayed for sale on the Website;

Product Description : that part of the Website where certain details of a Product are provided;

Standard Conditions : the standard terms and conditions of sale from time to time in force of phonesdirect.com Ltd, available on this site .

User Information : the details provided by You on registration;

We/Us/Our : phonesdirect.com Ltd and any trading division or subsidiary or associated company (as the case may be);

Website : the website located at www.phonesdirect.com or any subsequent URL which may replace it;

You : a user of the Website.

Data Protection Act 1998: phonesdirect.com Ltd. Statement relating to the Data Protection Act 1998 (see clause 4.1)

2. USE OF THE WEBSITE

- 2.1 Please note that Online Sales are only made to our existing business customers who have an existing account with us. We will not make Online Sales to consumers and consumers should not attempt to purchase Products on this Website.
- 2.2 Please note that all Online Sales are made and all orders placed are subject to the Website Conditions which incorporate the Standard Conditions which already apply to our customers in respect of sales of goods. In the event of any inconsistency between particular clauses of the Website Conditions and the Standard Conditions the relevant clauses of the Website Conditions shall prevail.
- 2.3 The advertising by Us of Products on the Website constitutes an invitation to treat. It does not constitute an offer by Us to sell You the Products. By placing an order for Products You will be deemed to have made an offer to Us to purchase the Products in accordance with these Website Conditions. No contract between Us and You will come into existence until We send You notice by email of Our receipt of Your order and confirmation that We will deliver the Products ordered.
- 2.4 The contract between us shall be completed upon dispatch of the Products ordered and the sale will, therefore, have been completed in England.

3. REGISTRATION

You warrant that:

- 3.1 the User Information which You provide when You register as a User is true, accurate, current and complete in all respects; and
- 3.2 You agree to notify Us immediately of any changes to the User Information by contacting Us by email at customer.care@phonesdirect.com
- 3.3 You agree not to impersonate any other person or entity or to use a false name or a name that You are not authorised to use.

4. PRIVACY POLICY

- 4.1 We undertake to comply with applicable UK Data Protection legislation from time to time in force. phonesdirect.com Ltd is registered as a data controller with the Office of the Data Protection Commissioner.

Data Protection Act 1998 Reg: PZ5813934 To email our Data Protection Officer please use: DPO@hughsymons.com
- 4.2 By entering and using this Website You consent to the collection, use and retention of Your personal information for Our legitimate business purposes as explained in this Privacy Policy. We collect, use and retain information about You only if we reasonably believe it is justified, required and useful in order to conduct Our business effectively and to provide You with information about products and services We believe will be of interest to You.
- 4.3 We maintain appropriate security standards and procedures in relation to the collection, use and retention of your information in order to prevent unauthorised access or disclosure. Your information is disclosed only to Our employees, agents and representatives on "a need to know" basis and We confirm that all such persons understand the importance of client confidentiality and privacy.
- 4.4 Our Website may employ the use of "Cookies". These are small pieces of information that are stored by your browser on your computer's hard drive and which track and report back information about you to Us. Most browsers automatically accept Cookies, but You can usually change your browser to prevent that if You wish.
- 4.5 We do our best to ensure that all information held relating to You is kept up-to-date, accurate and complete. In this regard, We also rely on You to notify Us if Your information requires updating or deleting. We will respond to requests from You to so update or delete Your information in an efficient and timely manner.
- 4.6 If You have any questions or comments about Our Privacy Policy, please contact Us at info@hughsymons.com and We will endeavour to respond as soon as possible.

5. INDEMNITY

- 5.1 You undertake that by placing an order for Products and receiving delivery of such Products on this Website You will not be breaching any laws of country in which You carry on business.
- 5.2 You agree fully to indemnify, defend and hold Us, and Our officers, directors, employees, agents and suppliers, harmless immediately on demand, from and against all claims, liability, damages, losses, costs and expenses, including legal fees, arising out of any breach of the Website Conditions by You or any other liabilities arising out of Your use of the Website, or the use by any other person accessing the Website using Your User Information.

6. OUR RIGHTS

We reserve the right to:

- 6.1 modify or withdraw, temporarily or permanently, the Website (or any part thereof) with or without notice to You and You confirm that we shall not be liable to You or any third party for any

modification to or withdrawal of the Website; and/or

- 8.2 change the Website Conditions from time to time, and Your continued use of the Website (or any part thereof) following such change shall be deemed to be Your acceptance of such change. It is Your responsibility to check regularly to determine whether the Website Conditions have been changed. If You do not agree to any change to the Website Conditions and do not wish to be bound by them then You must immediately stop using the Website.

7. THIRD PARTY LINKS

We may provide links to other websites or resources. You acknowledge and agree that We are not responsible for the availability of such external sites or resources, and do not endorse and are not responsible or liable, directly or indirectly, for the privacy practices or the content of such websites, including (without limitation) any advertising, products or other materials or services on or available from such websites or resources, nor for any damage, loss or offence caused or alleged to be caused by, or in connection with, the use of or reliance on any such content, goods or services available on such external sites or resources.

8 CANCELLATIONS AND RETURNS

- 8.1 If the Product You have ordered is not available from stock You will be contacted by email and You will have the option either to wait until the item is available from stock or to cancel Your order by emailing Us on the email address of the relevant department or, if applicable, by following the simple cancellation procedure outlined in the email sent by Us to You.
- 8.2 Our standard returns procedure will apply to any Goods you wish to return.

9. DESCRIPTION OF PRODUCTS

Each Product purchased is sold subject to its Product Description which sets out additional specific terms and conditions related to that Product. All details, descriptions and prices of Products appearing on the Website are correct at the time when the relevant information was inputted. Although We aim to keep the Website as up to date as possible, the information including Product Descriptions appearing on the Website at a particular time may not always reflect the position exactly at the moment You place an order. We cannot confirm the price of a Product until Your order is accepted in accordance with our order acceptance policy, set out in clause 2 above.

10. SHIPPING COSTS

- 10.1 The total cost of Your order is the price of the Products ordered plus shipping charges.

11. REFUSAL OF TRANSACTION

We reserve the right to withdraw any Products from the Website at any time and/or remove, screen or edit any materials or content on the Website. We may refuse to process a transaction for any reason or refuse service to anyone at any time in Our sole discretion. We will not be liable to You or any third party by reason of:

- 11.1 Our withdrawing any Product from the Website whether or not that Product has been sold;
- 11.2 removing, screening or editing any materials or content on the Website; or
- 11.3 refusing to process a transaction or unwinding or suspending any transaction after processing has begun.

12. INTELLECTUAL PROPERTY AND RIGHT TO USE

- 12.1 You acknowledge and agree that all copyright, trademarks and all other intellectual property rights in all material or content supplied as part of the Website shall remain at all times vested in Us or Our licensors. You are permitted to use this material only as expressly authorised by Us or by Us on behalf of Our licensors.
- 12.2 You acknowledge and agree that the material and content contained within the Website is made available for Your personal non-commercial use only and that You may download such material and content onto only one computer hard drive for such purpose. Any other use of the material and content of the Website is strictly prohibited. You agree not to (and agree not to assist or facilitate any third party to) copy, reproduce, transmit, publish, display, distribute, commercially exploit or create derivative works of such material and content.

13. COMPLIANCE WITH LAWS

The Website may be used only for lawful purposes and in a lawful manner. You agree to comply with all applicable laws, statutes and regulations regarding the Website and any transactions conducted on or through the Website.

14. LIMITATION OF LIABILITY

- 14.1 While we will use reasonable endeavours to verify the accuracy of any information We place on the Website, We make no warranties, whether express or implied in relation to its accuracy.
- 14.2 The Website is provided on an "as is" and "as available" basis without any representation or endorsement made and We make no warranties of any kind, whether express or implied, in relation to the Website, or any transaction that may be conducted on or through the Website including but not limited to, implied warranties of non-infringement, compatibility, security, accuracy, conditions of completeness, or any implied warranty arising from course of dealing or usage or trade.
- 14.3 We make no warranty that the Website will meet Your requirements or will be uninterrupted, timely, secure or error-free, that defects will be corrected, or that the site or the server that makes it available are free of viruses or bugs or represents the full functionality, accuracy, reliability of the materials. We will not be responsible or liable to You for any loss of content or material uploaded or transmitted through the Website.
- 14.4 Nothing in the above conditions shall limit Our liability for death or personal injury suffered as a result of the use of Our Website owing to Our negligence.

15. LAW

The Website Conditions shall be governed by and construed in accordance with the laws of England and You irrevocably submit to the exclusive jurisdiction of the courts of England.