

R & D CONCEPTS LTD - TERMS OF BUSINESS

1. The Agreement

This agreement shall constitute the whole contract between R&D Concepts Ltd "RDC" which trades as "Synchro Licensing" and the Client to the exclusion of all conditions and warranties statutory or otherwise which are permitted by law to be excluded. Any variation to this agreement is only binding on RDC if it is in writing and signed by a director of RDC.

2. Software Systems

RDC software system(s) ("the System") consists of a pre-written program application package, complete with description and documentation as appropriate. RDC believes that the System(s) being furnished are accurate, reliable and accomplish the results set out in the current application software description. RDC shall have no obligation to make alterations to the design of the System(s) as described except as under the terms of this agreement.

3. Non-Specific Equipment Users

RDC reserve the right to make charges for any support or service activity resulting from

(i) the use of software, hardware, peripherals, consumables, media or any other item, addition or technique which is not installed approved or supplied by RDC.

(ii) client personnel not being trained by RDC or its appointed agents to use the System

4. Title to Software

Title to the ownership of the System(s) shall remain with RDC. The System must not be copied (save for one back up), reproduced or in any way distributed without permission in writing from RDC signed by a director of RDC.

5. Equipment

(i) The use of the System is specifically restricted to the computer equipment approved by RDC. Any change in the equipment on which the System(s) is to operate must be notified to RDC in writing.

(ii) A separate licence is required for each separate computer on which the System(s) is installed, or for each simultaneously operable user who may access the System upon a separate network terminal.

6. Transfer

The Client agrees that granting of a licence to use the system conveys to the Client only a non-exclusive licence for use of the System(s), at a specific location and that this licence may not be assigned, sublicensed, or otherwise transferred except that if the Client is temporarily unable to use the System because of conditions beyond the Client's control the licence may be temporarily transferred to permit the Client to use the System on another computer system.

7. Confidentiality

All information or data passed by the Client to RDC and any results arising therefrom, which are of a confidential nature will be treated as such and RDC will use all reasonable endeavours to procure that such information or data is not divulged to any third party without the Client's authority.

8. Modifications to System

No modifications shall be made to the System except with the consent in writing of RDC and using the software tools made available by RDC intended to allow the Client to customise the reporting, analysis and printing functions of the System.

9. Warranty on System

RDC warrants that the System(s) will be capable of operating in conformity with the current application software description. RDC undertakes to use all reasonable endeavours to rectify any errors caused by the fault of RDC, if such defect is notified in writing to RDC within three months of the date of installation. Any modification or attempted modification of the System(s) by the Client or any other third party shall void this warranty.

10. Database Amendments

(i) The System is not a simple database maintenance application but relies upon the database reflecting its internal logic, so database amendments can have far reaching and extremely serious consequences.

(ii) RDC can only provide support for the System if its

database integrity remains inviolate. It is imperative that users do not execute any SQL commands on the System database or use any external tools to edit the database without first obtaining specific clearance through *SYNCHRO Support*. RDC reserve the right to withdraw support if the client executes any SQL commands without the prior approval of RDC

(iii) RDC reserve the right to charge for any work done to correct to its database where such corruption has been caused by external influence including (but not limited to) hardware failure, software failure, or virus (or any other malicious attack). Under such circumstances RDC cannot guarantee the database in question will remain free from defect.

11. Annual Licence Fee

RDC will levy an annual licence fee (per operating site). The Client shall sign a specific contract to this effect at the date of placing the initial order for the System. It is a specific condition of acquiring the System that the Client shall agree to continue to pay the annual licence fee for so long as the Client continues using the System.

12. Software Helpline

(i) RDC will use all reasonable endeavours to provide a software support service at no additional cost to the Client. During the period when support is in effect RDC will make available an e-mail and voice message based support service available between the hours of 9am to 6pm (UK local time) Monday to Friday with the exception of Public and Company holidays.

(ii) The helpline shall be available to any duly instructed employee of the Client who holds a user certificate issued by RDC (or an agent thereof) so long as the Client has paid the appropriate annual licensing fee and any other non-disputed invoices from RDC or its appointed agents.

13. Periodic Software Updates

RDC will at its discretion provide software updates. Such updates will contain a range of amendments to the package based upon either customer requests during the previous year or upon RDC design work.

14. Obligations

(i) Except for the express warranties set out under this agreement or where liability may not be legally excluded RDC will not be under any liability whether in contract loss or otherwise in respect of any consequential damage loss or injury arising out of or in connection with the use of the System or its performance or the failure to supply any equipment or services or any defects in the same whether arising from any suit between RDC and the Client, the Client and any other part of RDC and any other party.

(ii) Neither party shall be liable for any failure to perform or delay in performance of its obligations hereunder, caused by circumstances beyond its reasonable control including but not limited to fire, storm, flood, earthquake, accident, act of public enemy, war, rebellion, insurrections, labour disputes, labour shortages, transportation embargoes, inability to secure raw materials or machinery for the manufacture of equipment or the development of the System, Act of God, Act of Government or any agency thereof, judicial action and any other such external circumstances, provided that the party seeking to rely on this clause shall have given due notice of the circumstances and probable duration to the other party.

15. Payment Terms

Annual licence fees are payable immediately upon loading of the software upon the Client's computer hardware and on each anniversary of this date as long as the Client continues to use the software. All fees are quoted exclusive of VAT, Sales, Purchase, or any other statutory taxes in force at the date of delivery or acceptance. VAT and any other statutory tax will be added to each invoice issued at the then current rate. All fees are due for payment **within 7 days**, unless otherwise agreed in writing between RDC and the Client.

All Other Charges incurred for consulting work, system design and installation, and where agreed beforehand, expenses incurred in travelling and local accommodation, will be invoiced monthly for settlement **within 7 days**, unless otherwise agreed in writing between RDC and the Client.

Failure to pay any non-disputed invoices from RDC or its appointed agents within the above stated periods will entitle RDC to withhold all services until said invoice is paid.

16. Termination

If any sum payable to RDC under the terms of this

agreement or for any other services supplied is unpaid for fourteen days after it has become due or if there are any other breaches of the contract on the part of the Client or if the Client be adjudged bankrupt, make an assignment or composition with its creditors, or being a company, go into liquidation, or have a receiver or manager of its business or undertaking appointed, then RDC may, without prejudice to any of its other rights, forthwith terminate the contract in writing to the Client.

17. Quotations

Prices quoted for commercial application software and services submitted to the Client are valid for a period of 60 days from date of the quotation, unless otherwise stated in the quotation under the signature of a Director of RDC.

18. Cancellation

An order once accepted by RDC is binding on the Client, and in the event of cancellation RDC reserves the right to charge for any work done and for any equipment or services provided (including any costs incurred for the purpose of the order) prior to the date of receipt by RDC of written notice of cancellation.

19. General

The Client hereby undertakes not to make an offer of employment or any financial inducement to any employee of RDC or its appointed agents during the course of the contract with RDC or during a period of six months after its termination.

Unless otherwise specified in writing by the Client, RDC will have the right to use the Client's name on publicity material together with the name of the type of application involved.

A contract with RDC shall be considered as a contract made in England and subject to English Law.

Differences between RDC and the Client arising out of this contract shall (except where by its terms RDC's decision is to be final and binding) be referred to the arbitration of two persons or their umpire in accordance with the provisions of the arbitration act in force at the start of this contract.

Terms of Business v: [3.0] Amended, August 2008