

**PURCHASE ORDER
TERMS AND CONDITIONS OF PURCHASE**

1. Definitions.

In these conditions the "Purchaser" shall mean the Virgin Media group company issuing a purchase order "Order" and the "Supplier" shall mean the company or person to whom the purchase order "Order" is issued. These terms and conditions shall govern the sale or supply of goods and/or services by the Supplier and shall be deemed incorporated in any contract between the Purchaser and the Supplier for the sale or supply to the Purchaser of goods or services. Any terms and conditions on any acknowledgement, delivery note, invoice, or other document shall not apply.

2. Acceptance of Order.

The Purchaser shall have the right to terminate the Order without liability unless accepted by the Supplier within fourteen (14) days from the date of the Order. Acceptance of the Order constitutes a contract which incorporates these terms and conditions "Contract". Failure to accept the Order in writing or otherwise will not prevent the Supplier's implied acceptance of these terms and conditions by conduct. No variation amendment of or addition to the Order by the Supplier shall form part of any Contract unless expressly accepted by the Purchaser in writing.

3. Delivery.

3.1. The date of delivery of goods and the provision of any services shall be as specified on the Order unless otherwise agreed in writing between the Purchaser and the Supplier. The Supplier shall immediately give notice to the Purchaser of any likely delay in delivery of which it becomes aware.

3.2. If the Supplier is late with any delivery of goods or provision of any services the Purchaser shall have the right to cancel the Order at any time before delivery of the goods or provision of the services (as applicable) is effected and, where specified on the Order, the Purchaser shall be entitled to liquidated damages up to the maximum specified on the Order.

3.3. The Supplier shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the goods. The Order number must be quoted by the Supplier on all delivery notes, invoices, advice notes, correspondence, packing lists and containers.

3.4. The goods, properly packed and secured in such manner as to reach their destination in good condition under normal conditions of transport, shall be delivered or despatched for delivery by the Supplier at its cost and risk to the address of the Purchaser as specified on the Order or as the Purchaser shall specify. Delivery shall be made between the hours of 8.30 am and 5.00 pm Monday to Friday (inclusive), bank and public holidays excepted unless agreed otherwise.

3.5. No charge shall be payable by the Purchaser for packing or crating materials or services, cartons, containers, carriage or storage unless such charge is expressly specified in writing in the Order.

3.6. Following delivery of the goods and unpacking by the Purchaser the Supplier shall, if so requested by the Purchaser, collect and remove the discarded packaging.

3.7. The Supplier shall, upon receiving notice to that effect from Virgin Media, repair or replace free of charge goods damaged or lost in transit and due delivery of the goods shall not be deemed to have taken place until replacement or repaired goods have been delivered by the Supplier to the Purchaser. The Purchaser reserves the right to hold such damaged goods at the Supplier's risk or to return them at the risk and expense of the Supplier.

4. Acceptance of Goods.

The Supplier shall afford the Purchaser or its agents every facility for inspection of the goods and of any raw or finished materials or work before, during and after manufacture. The Purchaser shall be entitled to reject any goods, materials or work which do not comply with the standard required or the terms expressed or implied in this Order as to quality, condition or description. The Purchaser shall remain entitled to reject any goods, materials or work upon delivery or within a reasonable time thereafter, and goods or materials so rejected will be returned at the Supplier's expense and risk. The Purchaser shall not be deemed to have accepted the goods until it has had a reasonable opportunity to inspect the goods following delivery or, if later, within a reasonable time after any latent defect in the goods has become apparent. Unless within a reasonable time of receipt of notice of rejection the Supplier collects the goods, the Purchaser may dispose of them as the Purchaser shall think fit provided that if the Purchaser sells the goods the Purchaser shall account to the Supplier for the net proceeds of such sale.

5. Work on Purchaser's Premises.

Where any Contract involves work being carried out on the Purchaser's premises the Supplier and its employees, agents and sub-contractors shall observe all statutory rules and regulations and all of the Purchaser's rules and regulations.

6. Price.

6.1. The price of the goods and the services shall be as stated in the Order and, unless otherwise so stated, shall be: (a) exclusive of any applicable UK value added tax; and (b) inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery and any duties, taxes or levies other than UK value added tax.

6.2. No increase in the price may be made (whether on account of increased material, labour or transport costs, fluctuation in rate of exchange or otherwise) without the prior consent of the Purchaser in writing.

6.3. Payment of the price shall be made within ninety (90) days plus one (1) week of the consignment of goods or the provision of services being made or of delivery of the Supplier's invoice if later, unless otherwise agreed by the parties in writing.

6.4. Unless otherwise agreed, a separate invoice must be rendered for each individual consignment of goods or performance of services and all invoices must quote the Order number.

6.5. The Purchaser shall be entitled to set off against the price any sums owed to the Purchaser by the Supplier.

6.6. In the event that any payment due under this contract is not made on the due date the defaulting party shall pay to the other (if demanded) interest on the amount outstanding at the rate of 2% per annum above the base rate of National Westminster Bank plc, for the period from the due date until the date of actual payment. This rate of interest shall apply notwithstanding any higher rate of interest specified in The Late Payments of Commercial Debts (Interests) Act 1998 or any other statute, and the parties acknowledge and agree that this rate of interest represents a substantive remedy for late payment of debts.

6.7. The Supplier acknowledges that in order to ensure effective management of the Purchaser's internal budgets and cashflow, it is reasonable for the Purchaser to request that the Supplier submits an invoice to the Purchaser no later than twelve (12) months following the date on which the Supplier was entitled to raise an invoice. Accordingly, the Supplier

agrees that if it fails to issue an invoice to the Purchaser within twelve (12) months of the date on which the Supplier was entitled to raise an invoice, the Purchaser shall not be liable to pay the amounts that would have been due under such invoice and the Supplier shall not be entitled to recover such amounts from the Purchaser.

7. Title.

Property in the goods shall pass to the Purchaser on the earlier of delivery, payment of the purchase price or expiry of the period specified in clause 6.7, without prejudice to any right of rejection which may accrue to the Purchaser under the Contract.

8. Software Licence.

The Supplier grants to the Purchaser a non-exclusive right to use any software supplied for such purposes as Virgin Media and any Virgin Media group company may require and to sublicense the software to the Purchaser's customers for the sole purpose of accessing and using the Purchaser's services. The Purchaser shall not make any copies or duplicates of the software without the Supplier's prior written consent save for backup purposes. The Purchaser may permit third parties contracted to provide services to the Purchaser to use the software to the extent reasonably necessary for the performance of such services.

9. Warranty and Indemnity.

9.1. The Supplier warrants to the Purchaser that: (a) the Supplier has the right to and shall supply all goods free from any charges, liens or other encumbrances; (b) all goods shall correspond strictly with description and other specification supplied or made known to the Supplier and with any sample, shall be in every respect fit for the purpose for which the Purchaser has expressly or by implication made known that it requires the same and shall be of satisfactory quality which is also of a standard not less than that of previous supplies (if any) approved by the Purchaser; (c) the goods will be free from defects in design, material, workmanship and performance; (d) all goods and the performance of any services shall comply with all current and applicable UK and EC legislation, regulations or other legal requirements; (e) all services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for the Purchaser to expect in all the circumstances; (f) the Supplier will at all times maintain insurance with a reputable insurance company against all liability under this contract.

9.2. The Supplier shall indemnify the Purchaser in full against all liability, loss, damages, costs and expenses (including legal expenses and consequential or economic loss) suffered by or incurred by the Purchaser as a result of or in connection with: (a) breach of any warranty given by the Supplier in relation to the goods or the services; (b) any claim that the goods or services infringe, or their importation, use, performance or resale, infringes the patent, copyright, database right, design right, trade mark or other intellectual property right of any other person; (c) any liability under the Consumer Protection Act 1987 or similar, equivalent or replacement legislation in respect of the goods; and (d) any act or omission of the Supplier or its employees, agents or sub-contractors in supplying or delivering the goods.

9.3. Neither party excludes or limits liability to the other party for fraud or for death or personal injury due to its own negligence or its employees' or agents' negligence whilst acting in the course of their employment or any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982.

9.4. Subject always to the provisions of Clause 9.3 and save in respect of any claim for indemnification under Clause 9.2, neither party shall be liable to the other for any type of special, indirect or consequential loss including, without limitation, any loss of profit or anticipated savings arising from (a) any breach of its contractual obligations under the Contract or (b) any representation, statement or tortious act or omission including negligence arising under or in connection with the Contract even if such loss was reasonably foreseeable or that party had been advised of the possibility of the other incurring the same.

10. Remedy.

Without prejudice to any other remedy, if any goods or services are not supplied or performed in accordance with the Contract, then the Purchaser shall be entitled to require the Supplier to repair the goods or to supply replacement goods or services in accordance with the Contract within seven (7) days or to have them so repaired or re-performed by a third party in which case the Supplier shall reimburse the Purchaser for all costs and expenses thereby incurred.

11. Termination.

11.1. If the Supplier being an individual shall at any time become bankrupt or shall have a receiving order made against him/her or shall make any composition or arrangement with or for the benefit of his/her creditors, or if the Supplier being a company shall go into liquidation (not being a member's winding up for the purpose of reconstruction or amalgamation) or if a receiver shall be appointed or an encumbrancer takes possession of any of its assets or an administration order is made, or the Purchaser reasonably apprehends any of the foregoing and notifies the Supplier accordingly, the Purchaser may set off any payments due hereunder against sums due from the Supplier to the Purchaser and: (a) cancel the Contract summarily by notice in writing without compensation to the Supplier; or (b) give any such receiver or liquidator or any other person the option of carrying out the Contract.

11.2. If at any time the Purchaser shall become insolvent or become the subject of a winding up order (of any type) or an administration order, or have an administrative receiver appointed (including under the Law of Property Act), or compound with its creditors, enter into a company voluntary arrangement or scheme of arrangement, then the Supplier shall be entitled to terminate the Contract immediately upon notice.

11.3. Either party may terminate the Contract immediately upon written notice to the other at any time if the other is in material breach of any term of the Contract and, if capable of remedy, fails to remedy such breach within twenty (20) days of written notice to remedy the same.

11.4. The exercise of any of the rights granted under this clause shall not prejudice or affect any right of action or remedy which shall accrue thereafter to either party.

12. Intellectual Property.

12.1. Unless otherwise agreed in writing, all copyright and other intellectual property rights in any products, software, drawing, reports or other documents or data generated, created or produced by the Supplier in the performance of the Contract (including all future rights arising out of such items and any preparatory material) (the "Works") and physical possession of any media upon which such Works are contained shall vest in and be the property of and are hereby assigned to the Purchaser. The Supplier hereby waives all moral rights in the Works in so far as they relate to the Purchaser, and confirms that it has obtained all waivers of moral rights and consents from any agent or sub-contractor or other third party necessary to comply with its obligations hereunder.

12.2. Where the intellectual property rights in any Works have not, for whatever reason, been assigned to the Purchaser, the Supplier hereby grants to the Purchaser and its associated companies an irrevocable royalty-free licence to use, copy or modify the Works with a right to sub-license those Works to third parties.

13. Confidentiality.

13.1. All information of a confidential nature imparted by either party to the other or which may be imparted from time to time to the other in connection with the Contract, including but not limited to data of or about customers, drawings, patterns, raw materials, designs, specifications and any information relating to the technical affairs or business or product plans of either party ("Confidential Information") shall be treated as proprietary and confidential to the party disclosing the Confidential Information.

13.2. Neither party shall use or disclose any Confidential Information of the other party without the agreement in writing of the other party except: (a) to the extent necessary to comply with any law or regulation in which event the relevant party shall so notify the other as promptly as reasonably practicable and shall seek confidential treatment of such information; (b) to its auditors, legal advisers and other professional advisers provided that it uses its reasonable endeavours to procure that such persons maintain such confidentiality; (c) in order to enforce its rights under the Contract; and (d) to any person with a bona fide and legitimate interest in such information who enters into a confidentiality agreement including, but not limited to, a prospective purchaser of the Purchaser or its business and provided that such person only uses the information for the purpose of such bona fide and legitimate interest.

13.3. The provisions of clause 13.2 shall not apply to: (a) any information in the public domain otherwise than by breach of the Contract; (b) information obtained from a third party who is free to divulge the same; (c) information that was already known to the receiving party prior to disclosure under the Contract and was not previously acquired by the receiving party from the disclosing party under an obligation of confidentiality or non-use towards the disclosing party; (d) information that can be shown by documentary evidence to have been created by one party to the contract independently from work under the Contract.

14. Hazardous Goods.

14.1. The Supplier shall not deliver any hazardous goods or toxic substance to the Purchaser's premises without the Purchaser's prior written approval. The Supplier shall observe all international agreements relating to the pricing, labelling or carriage of hazardous goods and such goods must be marked by the Supplier with the appropriate international danger symbols and a description of the material displayed in English. Transport and other documents must include a declaration of the hazard and a description of the material in English. Goods must be accompanied by appropriate emergency information in English in the form of written instruction, labels or markings.

14.2. The Supplier shall promptly notify the Purchaser of any information or instructions it holds, or are reasonably available to the Supplier regarding any potential hazards known or believed to exist in the transport, handling, storage or use of the goods.

15. Miscellaneous.

15.1. The Supplier will not without the prior written consent of the Purchaser in any way whatsoever advertise or publish the fact that the Supplier has contracted to supply to the Purchaser any goods or services.

15.2. The Contract is personal to the Supplier and the Supplier shall not assign or transfer or purport to assign or transfer to any other person any of its rights or subcontract any of its obligations under the Contract without the prior written consent of the Purchaser.

15.3. Any notice required or permitted to be given by either party to the other under these conditions shall be in writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

15.4. No waiver by either party of any breach of the Contract by the other party shall be considered as a waiver of any subsequent breach of the same or any other provision.

15.5. If any provision of the Contract is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of the Contract and the remainder of the provision in question shall not be affected thereby.

15.6. Where the company issuing the purchase order is Virgin Media Limited, Virgin Media Limited is acting for itself and as agent for Virgin Media group companies.

15.7. The construction, validity and performance of the Contract shall be governed by the laws of England and Wales and any claim or dispute arising between the parties shall be subject to the jurisdiction of and be determined by the courts of England and Wales. **END**