

**NBN INTERNATIONAL
TERMS AND CONDITIONS**

(THE BUYER'S ATTENTION IS DRAWN IN PARTICULAR TO THE PROVISIONS OF CONDITIONS 9 AND 10)

1. Definitions

In these Conditions:

“Carrier” means the agent or agents of the Company from time to time for the carriage of Goods;

“Company” means Book Network International Limited trading as NBN International;

“Conditions” means these terms and conditions of sale and supply;

“Contract” means any contract between the Company and the Customer for the supply of Goods resulting from a Customer order and accepted by the Seller in accordance with these Conditions;

“Customer” means a person contracting with the Company for the supply of Goods by the Company as agent for a Publisher under a contract for the purchase of Goods;

“Goods” means books, printed sheets, printed cards, magazines, cassettes, magnetic tapes, computer tapes, records, video discs, compact discs, selling aids and any and all other items which the Publisher offers for sale; and

“Publisher” means the publisher of Goods from whom the Customer purchases the Goods.

“Trade Customer” means a Customer that is either a retailer or wholesaler of any category of Goods.

2. Application of these Conditions

2.1 Subject to any variation under Condition 2.2, every Contract shall be subject to these Conditions to the exclusion of all other terms and conditions (including all other conditions which the Customer purports to apply under any purchase order, confirmation, specification or other document).

2.2 No variation to these Conditions shall have effect unless expressly agreed in writing by an authorised representative of the Company.

2.3 The Company's employees and agents are not authorised to make any representations concerning the Goods or their characteristics prior to the conclusion of the Contract in accordance with Condition 2.4. The Customer acknowledges that it has not relied on any statements, promises or representations which are not set out in the Contract.

2.4 All statements and terms concerning Goods, including prices, quoted or listed by or on behalf of the Company, and published price lists, catalogues and pamphlets constitute invitations to treat, and shall not be construed as offers under any circumstances. Any order for Goods received by the Company from the Customer shall be deemed to be an offer by the Customer to purchase Goods subject to these Conditions. No such order shall be deemed accepted by the Company until the earlier of shipment of the Goods in accordance with these Conditions and dispatch by the Company of a written acknowledgement of the order (in each case, the “Company Acknowledgement”).

2.5 Any quotation is given by the Company on the basis that no Contract will come into existence until the Company issues the Company Acknowledgement.

3. Cancellations

Cancellations shall be expressed in writing to the Company seven (7) days prior to delivery of the Goods in accordance with Condition 7. No cancellation will be effective unless and until acknowledged by the Company in writing.

4. Publication Dates, Copyright and Returns

- 4.1 Goods must not be sold to the general public before the publication date, if any, indicated by the Publisher. Goods may be subject to copyright protection as stated thereon.
- 4.2 Subject to Condition 9.3, Goods may only be returned to the Company in accordance with the Company's returns policy (the "Policy"), which is set out at www.nbninterntaional.com. Any returns made in accordance with the Policy will only be credited to the Customer's account if they are in perfect condition. Returns made other than in accordance with the Policy will not be credited to the Customer's account and, at the discretion of the Company or a Publisher, may be sent back to the Customer or pulped, in each case, at the Customer's expense. The Customer acknowledges that returns will also be subject to any additional restrictions laid down by Publishers.

5. Prices

- 5.1 Unless otherwise agreed by the Company in writing, the price of the Goods shall be the price set out in any valid quotation, or where no price has been quoted or a quoted price is no longer valid, the price set out in the Company's price list published on the date of the Company Acknowledgement. The Customer acknowledges that the Company may change the price of the Goods, with or without notice to the Customer, in the event that the Publisher changes the price of the Goods.
- 5.2 Invoiced prices for Trade Customers will include packing and delivery within the UK, unless otherwise agreed by the Company in writing prior to delivery. In the event that a Trade Customer requires delivery outside the UK, Condition 5.3 shall apply. Invoiced prices for all Customers who are not Trade Customers will be exclusive of packing and delivery, within and outside the UK, and such Customers will be responsible for such charges, unless otherwise agreed by the Company in writing prior to delivery. All invoiced prices are exclusive of VAT or any other sales tax, for which (if applicable) the Customer shall be additionally liable.
- 5.3 Any special request by the Customer for Goods to be delivered by any means other than the Company's usual arrangements (for example, by expedited or overnight service, or in connection with remainders or other discounted deals where prices exclude packing or delivery) shall be subject to an additional charge to cover any extra charges that may apply. The Company reserves the right to levy order surcharges or reduce discount entitlements which are below the Company's minimum quantity and/or value in force at the time the Company receives the order.

6. Payment

- 6.1 An invoice will be issued to the Customer on shipment of the Goods. Payment is due to the Company on or before the last working day of the month following the month in which the invoice is dated, unless otherwise agreed by the Company in writing. The Company reserves the right not to deliver Goods unless the Company has received in full (in cash or cleared funds) all sums which are due to the Company from the Customer on any account.
- 6.2 The Company reserves the right to charge interest on a daily basis from the date payment is due until the date payment is received. The basis of the interest will be two (2) basis points above the published Base Rate of HSBC Bank plc for the period of any default. The Company reserves the right to recover from the Customer any collection or legal costs incurred in connection with the overdue amount.

7. Delivery

- 7.1 Any delivery dates are given as estimates only and in no circumstances shall the Company be liable for late delivery beyond such dates. Neither the Company nor the Carrier is obliged to provide loading or unloading facilities on delivery.
- 7.2 Subject to Conditions 6.1 and 7.4, unless otherwise agreed in writing by the Company, the Company shall procure that the Goods are delivered using a Carrier to the delivery address shown on the Company's invoice and, if none is shown, to the person to whom the invoice is addressed or despatched. Unless otherwise agreed by the Company in writing, the Carrier shall be nominated by the Company.
- 7.3 Any dates specified for delivery of the Goods are intended to be estimates only and time of delivery shall not be of the essence. Subject to Condition 10.3, the Company shall not be liable for any direct, indirect or consequential losses (all three of which terms include, without limitation, pure economic loss, loss of profits, loss of business,

depletion of goodwill and similar loss), costs, damages or expenses caused directly or indirectly by any delay in the delivery of the Goods (even if caused by the Company's own negligence).

- 7.4 Risk of the Goods shall pass to the Customer on delivery to the Customer. Delivery to the Customer shall take place when the Goods are delivered to the applicable Carrier for shipment of the Goods. If for any reason the Customer will not accept delivery of any of the Goods, or the Company is unable to deliver the Goods on time because the Customer has not provided appropriate instructions, documents or authorisations, risk in the Goods will pass to the Customer (including for loss or damage caused by the Company's negligence) from the moment of attempted delivery, the Goods will be deemed to have been delivered, the Company may store the Goods until actual delivery whereupon the Customer will be liable for all related costs and expenses and Condition 5.3 shall apply.
- 7.5 If the Goods are to be delivered in installments, each such installment shall be a separate Contract and no cancellation or termination of any one Contract relating to an installment shall entitle the Customer to repudiate or cancel any other Contract or installment.
- 7.6 Subject to Condition 7.3, any liability of the Company for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or, at the option of the Company, crediting the value of the Goods (as detailed on the relevant invoice) to the Buyer's account.

8. Title

- 8.1 Title to any Goods supplied at any time to the Customer by the Company or the Publisher shall not pass to the Customer, notwithstanding delivery of any Goods or any documents representing them, until the Company has received in full (in cash or cleared funds including, without limitation, as a result of a valid credit card transaction) all sums due to it in respect both of the Goods, and all other sums which are or which become due to the Company from the Customer on any account.
- 8.2 Until ownership in the Goods has passed to the Customer the Customer must (a) store the Goods (at no cost to the Company) separately from all other goods of the Customer or any third party in such a way as they remain readily identifiable as the Company's property, (b) not destroy, deface or obscure any identifying mark or packaging on or relating to the Goods and (c) maintain the Goods in satisfactory condition insured on the Company's behalf for their full price against all risks to the reasonable satisfaction of the Company. On request the Customer shall produce the policy of insurance to the Company. The Company shall be entitled to recover payment for the Goods notwithstanding that ownership in the Goods has not passed from the Company.
- 8.3 The Buyer's right to possession of the Products shall terminate immediately if (a) the Customer has a bankruptcy order made against it or makes an arrangement or composition with its creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Customer or notice of intention to appoint an administrator is given by the Customer or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a resolution is passed or a petition presented to any court for the winding up of the Customer or for the granting of an administration order in respect of the Buyer, or any proceedings are commenced relating to the insolvency or possible insolvency of the Buyer, or (b) the Customer suffers or allows any execution, whether legal or equitable, to be levied on its property or obtained against it, or fails to observe or perform any of its obligations under the Contract or any other contract between the Company and the Buyer, or is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or the Customer ceases to trade, (c) the Customer encumbers or in any way charges any of the Products or (d) there occurs any events similar to any of the foregoing under the laws of any jurisdiction, irrespective of whether such occurrences are voluntary or involuntary, or whether they are by operation of law or otherwise.
- 8.4 The Customer grants the Company, its agents and employees an irrevocable licence at any time to enter any premises where the goods are or may be stored in order to inspect them or, where the Buyer's right to possession has terminated, to recover them. The Customer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Company, but if the Customer

does so, all monies owing by the Customer to the Company shall, without prejudice to any other right or remedy available to the Company, forthwith become due and payable.

9. Warranties and Defective Goods

9.1 The Company does not make or give any warranty representation or undertaking:

- (a) as to the correspondence of the Goods with their description, their fitness for purpose or their satisfactory quality (within the meaning of the Sale of Goods Act 1979); or
- (b) that they are not defamatory, injurious, obscene, unlawful or in breach of copyright or in any other manner whatsoever.

9.2 Without prejudice to the foregoing provisions of this Condition, the Company shall not be liable:

- (a) for any defective Goods (i) unless claims for any damage to or shortages in Goods delivered are notified in writing to the Company within 10 days of delivery to the Customer and (ii) if the defect arises because the Customer failed to follow the Company's instructions (whether oral or in writing) as to the storage, installation, configuration, use or maintenance of the Goods or (if there are none) good trade practice; or
- (b) for non delivery of Goods unless the Customer gives to the Company written notice of any non delivery within 14 days of the invoice date.

9.3 Subject to Condition 9.2, if any of the Goods are considered, in the reasonable opinion of the Company, to be defective, (a) the Company shall at its option replace such Goods (or the defective part), provided that, if a replacement is in the Company's opinion not practicable, the Company will credit the value of the defective Goods (as detailed on the relevant invoice) to the Buyer's account and (b) the Company shall be responsible for the transport charges of returning the defective Goods to the Company.

9.4 Refunds will be given at the sole discretion of the Company.

10. Liability

10.1 The following provisions of Condition 10 set out the entire financial liability of the Company (including any liability for the acts or omissions of its employees, agents and sub-contractors) to the Customer in respect of (a) any breach of these Conditions, (b) any use made or resale by the Customer of any of the Goods and (c) any representation, statement or tortious act or omission including negligence arising under or in connection with the Contract.

10.2 Subject to Condition 9, all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the Contract.

10.3 Nothing in these Conditions excludes or limits the liability of the Company (a) for death or personal injury caused by the Company's negligence, (b) for any matter in respect of which it would be illegal for the Company to exclude or attempt to exclude its liability or (c) for fraud or fraudulent misrepresentation.

10.4 Subject to Conditions 7, 9 and 10.3, (a) the Company's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Contract shall be limited to and in no circumstances shall exceed the price payable by the Customer for the Goods under the Contract and (b) the Company shall not be liable to the Customer for any pure economic loss, loss of profit, loss of business, depletion of goodwill or otherwise, in each case whether direct, indirect or consequential, or any claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the Contract.

11. Termination

11.1 The Company may at any time terminate the Contract for any reason by giving to the Customer one month's prior written notice.

11.2 Without limiting the generality of the foregoing:

- (a) the Company may terminate the Contract and withhold any supplies in respect of any outstanding order for Goods made by the Customer at any time, with or without notice, if the Company is subject to any of the events described parts (a), (b) and/or (d) of Condition 8.3; and
- (b) if at any time (i) a Publisher is subject to the events described in parts (a), (b) and/or (d) of Condition 8.3 or (ii) an agreement between the Company and a Publisher relating to Goods to be supplied pursuant to the Contract is terminated for any reason, the Company may in relation to the Goods supplied to the Company by that Publisher terminate the Contract forthwith and withhold any supplies in respect of any outstanding order for Goods made by the Customer; and
- (c) the Company shall have the right, without prejudice to its other rights or remedies, to terminate the Contract and/or withhold any supplies of Goods forthwith if any sum payable by the Customer hereunder is not paid in full in accordance with Condition 6.1.

11.3 Upon termination of the Contract by the Company in any of the circumstances referred to in this Condition 11, the Company shall be released from any further obligation towards the Customer in relation to the Goods.

12. Overseas Customers

Unless otherwise agreed by the Company in writing the Customer shall be responsible for all duties levies imposts taxes or other liabilities arising on the export of the Goods from the United Kingdom and import of the Goods overseas.

13. General

13.1 The Company may assign the Contract or any part of it to any person, firm or company. The Customer shall not be entitled to assign the Contract or any part of it unless the Company consents to such assignment in writing.

13.2 All notices required to be given hereunder shall be given in writing to the recipient at the relevant address stated in these Conditions and/or in the relevant purchase order or invoice (or to such other address as the recipient may from time to time specify in writing). All notices shall, (a) if sent by post, be deemed to be delivered forty eight (48) hours after posting if the recipient is located in the same jurisdiction as the sender and seven (7) days after posting if the recipient is located in a different jurisdiction from the sender, (b) if sent by facsimile, shall be deemed to have been received at the time of delivery as indicated on the facsimile activity report of the sender and (c) if sent by e-mail, on receipt by the sender of a notice of receipt.

13.3 Without prejudice to any other of these Conditions, the Company reserves the right to defer the date of delivery or to cancel the Contract or reduce the volume of the Goods ordered by the Customer (without liability to the Buyer) if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable supplies.

13.4 No delay or omission on the part of either party in exercising any right, power or remedy provided by law or under these Conditions shall impair such right, power or remedy or operate as a waiver thereof. The single or partial exercise of any right, power or remedy provided by law or under these Conditions shall not preclude any other further exercise thereof or the exercise of any other right, power or remedy.

13.5 If any provision of the Contract (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

13.6 The parties to this Contract do not intend that any term of this Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.

13.7 These terms and conditions shall be governed by and construed in accordance with the laws of England and Wales and all disputes shall be submitted to the non exclusive jurisdiction of the Courts of England and Wales.