

Unless otherwise agreed in writing these Terms and Conditions represent the only conditions upon which Cygnus Instruments Ltd. ("Cygnus") is prepared to purchase the goods specified in the attached relevant Purchase Order from the person to whom this order is addressed (the "Supplier"). Receipt or delivery of any goods does not constitute acceptance of Supplier's terms.

1. PURCHASE INSTRUCTIONS

Cygnus will only accept liability for those orders which have been issued by Cygnus on its Purchase Order form, bearing the signature of a duly authorised officer. Under no circumstances will any liability be accepted for orders or (amendments to orders) given verbally.

2. PRICES

All prices stated on Purchase Order forms include all duties and packing charges unless stated otherwise. Where applicable VAT and carriage charges must be itemised separately on all acknowledgements and invoices. Any special packing and/or delivery charges are to be previously agreed in writing.

3. PATENTS, CUSTOMER DESIGNS/SKETCHES

- (i) All designs or sketches submitted to the Supplier for the purpose of this order shall remain exclusive property of Cygnus and Cygnus shall retain all copyright therein. The Supplier will not disclose the same to any third party nor use the same otherwise than for the purpose of this order.
- (ii) It is a condition of this order that the Supplier agree to indemnify Cygnus against any damages, costs or expenses which Cygnus or its customers may suffer or incur as a result of any infringement or alleged infringement of any patent, trade mark or other intellectual property rights, by any goods supplied against this order unless the infringement or the alleged infringement arises out of any specification, illustration or description supplied by Cygnus. Cygnus shall not be liable in respect of any royalty, license fee or other such expense unless it is specifically agreed by Cygnus in advance.

4. PROPRIETARY INFORMATION

All information which Cygnus has divulged or may divulge to the Supplier and any information relating to business or products of Cygnus which may have come into the possession of the Supplier in the course of carrying out this order shall be treated by the Supplier in confidence and shall not without the prior consent of Cygnus be disclosed to any third party, nor be used or copied for any purposes other than for the execution of this order. The provisions of this Condition do not apply to information which is or comes into the public domain otherwise than through a breach of this Condition. Upon request by Cygnus the Supplier shall return all drawings or other written materials issued by Cygnus pursuant to this order.

5. DELIVERY

- (i) Irrespective of transport method used, goods will be despatched packaged in containers built to ensure the contents arrive in perfect condition and for the subsequent safe protection of such goods in storage at no extra cost.
- (ii) Goods which are not dispatched by the quoted date but in respect of which Cygnus has agreed to late delivery shall be delivered at the Supplier's cost by an express service as Cygnus directs.
- (iii) Cygnus reserves the right to suspend payment whenever the Supplier fails to complete delivery of the ordered consignment.

6. DESPATCH DOCUMENTS

Advice Notes/Packing Notes/Release Notes/Certificates of Conformity ("Delivery Documents") must be sent on the day that the goods are despatched and priced invoices are to follow within seven days. Invoices will not be passed for payment unless the order number (as indicated on the Purchase Order) is clearly quoted on the Delivery Documents. Cygnus declines responsibility for goods sent without appropriate Delivery Documents.

7. CANCELLATION

Cygnus reserves the right to cancel in whole or in part any order at any time without compensation even though partly fulfilled:

- (i) if goods ordered (or the outstanding balances thereof) are not supplied or completed by the agreed dates; or
- (ii) if the materials used or goods supplied do not strictly comply with the sample, description, specifications and/or drawings relating thereto and the standards of quality required by Cygnus for such materials or goods.

8. WARRANTY

The Supplier warrants to Cygnus and to the buyer of products from Cygnus that the goods to which this order applies will at the time of delivery and for a period of 12 months thereafter:

- (i) correspond with any description given by or specification submitted to the Seller;
- (ii) be free from defects in material and workmanship; and
- (iii) be suitable for the purposes intended insofar as the Seller has been made aware of such purposes.

The Supplier shall indemnify Cygnus and the buyers of products from Cygnus against any injury to persons or property or loss or damage of any nature and kind (including without limitation all costs and expenses) caused by or resulting from any defect in the goods to which this order relates.

9. INSPECTION/REJECTION OF GOODS

- (i) All goods received will be subjected to inspection by the Quality Control Department of Cygnus in accordance with standard procedures of Cygnus.
- (ii) Cygnus reserves the right to reject goods which do not conform as to quantity, quality and description with the particulars specified in the order, or in respect of which there is a breach of the warranty set out in paragraph 8 above. The Supplier will replace (or, if so required by Cygnus, credit Cygnus in full for) any defective goods without delay, at no cost to Cygnus.

10. CHANGES AND NON CONFORMITIES

- (i) The Supplier shall notify Cygnus in advance of any changes in product and/or process, supplier, manufacturing location. If in the reasonable opinion of Cygnus such change would or might prejudice the quality of its product, Cygnus may, after consultation with the Supplier, terminate this agreement or written notice,
- (ii) The Supplier shall notify Cygnus in advance of any nonconforming product and Cygnus shall not be obliged to accept the same or be responsible for payment in respect thereof unless it has given its written confirmation of acceptance of the same. The Supplier shall have a time reasonable in the circumstances to replace nonconforming goods. If this cannot be achieved then the Supplier agrees to accept rescission and return for credit in full in relation to such goods.

11. SUBCONTRACTING

The Supplier may not subcontract the supply to Cygnus of any goods without the prior written consent of Cygnus. If sub contracted work is permitted, the Supplier shall be responsible for passing to the subcontractor all relevant information relating to the requirements of Cygnus and/or specifications for the goods concerned. In any such event the Supplier shall accept full responsibility and liability to Cygnus for the quality and delivery of the relevant good as if such goods had been supplied by the Supplier.

12. RESALE RESTRICTIONS

No faulty or surplus goods manufactured under this order, whether rejected or not, may be offered for sale or sold to third parties under the Cygnus logo or trade mark (or any imitation or derivation thereof).

13. LEGISLATIVE REQUIREMENTS

The Supplier's attention is drawn to the obligations imposed by the Health and Safety at Work Act 1974 upon designers, manufacturers, importers and suppliers of articles and substances for use at work. Supplier will be responsible for complying with those obligations in relation to the goods and services covered by this order and will indemnify Cygnus against any liabilities costs, losses and expenses it may sustain if Supplier fails to do so.

14. FORCE MAJEURE

Should its business be stopped, interrupted or restricted by riot, lockout, strike, fire, and explosion or from any cause beyond its control, Cygnus may, without incurring any liability to the Supplier, to defer the date or dates of any goods due for delivery or work to be done until the stoppage interruption or restriction has ceased. If delivery is suspended for any of these reasons Cygnus shall be under no liability for payment until deliveries are actually made.

15. STATUTORY RIGHTS

These terms and conditions do not derogate from Statutory and Common Law rights and are in addition to these rights and not in substitution for them.

16. GOVERNING LAW

This agreement shall be subject to and governed by the laws and procedures of the courts in England. The parties agree to submit to the jurisdiction of the courts in England provided nevertheless that Cygnus shall have the option to bring suit in the country of domicile of the Supplier.