

## 1. Formation of Contracts

- (a) All contracts of sale made by RAYDEX/CDT LTD. (referred to herein as "the Company") shall be deemed to incorporate these terms and conditions of sale ("Terms and Conditions"). No variation or addition to these Terms and Conditions shall form part of any contract unless made or specifically accepted by the Company in writing and signed by both parties.
- (b) These Terms and Conditions shall override and take the place of any other terms and conditions in any document or other communication used by the Purchaser in concluding a contract with the Company.
- (c) No contract shall come into effect until the Purchaser's order has been accepted in writing by the Company. Save as expressly otherwise agreed in writing or as referred to herein, neither The Uniform Laws on International Sales nor the Convention on Contracts for the International Sale of Goods shall apply to any contract. The construction, validity and performance of all contracts shall be governed by the laws of England and for the Company's benefit, the Purchaser submits to the jurisdiction of the English courts and agrees (without limiting the Company's rights to bring proceedings in any other courts of competent jurisdiction, whether concurrently or not) that the English courts shall have jurisdiction to settle any claim or dispute in relation to any contract and that their judgements will be binding, conclusive and enforceable by the courts of other jurisdictions. If not in England, the Purchaser shall on request appoint an agent in England authorised to accept service of process by the Company.
- (e) If any of these terms and conditions are found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other conditions which shall remain in full force and effect. If any of these conditions are found to be invalid or unenforceable, but would cease to be invalid or unenforceable if some part of the provision were deleted, the provision in question shall apply with such modification as may be necessary to make it valid and enforceable.

## 2. Prices

- (a) In the case of all orders, unless otherwise expressly stated in writing by the Company orders are accepted on the basis that:-
- (I.) the price stated is the net price of the goods (after deduction of any discounts) Ex Works in accordance with the contract and overrides any quotation or estimate.
- (II.) The Company is entitled without prior notice to adjust the price stated to take account of any change in specification made at the request of the Purchaser or any alteration before the date of delivery in the cost to the Company of labour, materials, sub-contracted services or import or export duties or tariffs or transport or other item which directly affects the cost to the Company of supplying the goods.
- (III.) The price stated is for stipulated quantities only and does not hold for lesser quantities.
- (IV.) The price stated is exclusive of value added tax ("VAT") and any other taxes, customs duties, import levies and other duties, levies and impositions. Without limitation, if the goods are to move to an EU member state other than the UK, the Company shall charge and the Purchaser shall pay on demand VAT in relation to the goods unless there is supplied to the Company evidence satisfactory to HM Customs & Excise to establish that the supply of the goods is zero rated for UK VAT purposes. The Purchaser shall in any event provide to the Company on demand such information as the Company may from time to time reasonably require to enable it to comply with its obligations under UK VAT legislation in respect of the sale of the goods.
- (b) Save as expressly otherwise agreed in writing, in the case of orders in respect of export sales (i.e. orders for delivery outside the United Kingdom):-
- (I.) all orders accepted by the Company will specify that the price is Ex Works;
- (II.) in relation to prices quoted in a currency other than sterling ("the Quoted Currency") and unless otherwise agreed in writing by the Company, the Company shall have the right at any time or times when the rate on the London Foreign Exchange Market for the Quoted Currency in terms of sterling stand more than 5 per cent higher than such rate on the date when the price was quoted, to raise any such prices by a percentage not exceeding the percentage rise in the said rate for the Quoted Currency and shall forthwith notify the Purchaser of such increased price which shall there upon be substituted for the original price.

## 3. Payment

- (a) In the case of export and non-export sales, unless otherwise expressly stated and subject to Condition 10(a)(ii), prices are due and payable, without any withholding, deduction, set-off or counter claim, in United Kingdom sterling or the relevant Quoted Currency for value in immediately available funds 1 calendar month from the end of the month in which the goods are invoiced. Payment by cheque or other negotiable instrument is ineffective until honoured.
- (b) In the case of all contracts, if the Purchaser shall fail to make payment in full in accordance with paragraph (a) of this Condition, then (without prejudice to any other rights of the Company) the Purchaser shall, without any need for the Company to give notice, become liable to pay to the Company interest on the amount for the time being unpaid at the rate which is 3 per cent per annum above the Base Rate from time to time of Barclays Bank PLC calculated from the date of due payment until the date of actual payment as well after as before any judgment.
- (c) If the Purchaser pays any amount to the Company without apportioning it between specific debts or liabilities, it shall be apportioned as the Company thinks fit. The Company may attribute a partial payment to one or more specific items, rather than to all the items which are the subject of a particular contract.
- (d) Where carriage, packing, warehousing or other charges (including VAT) are stated separately from the price they will nevertheless be payable by the Purchaser at the same time as if they formed part of the price and shall be treated as such.
- (e) Time of payment is of the essence of every contract incorporating these Terms and Conditions and the Company reserves the right to suspend the provision of the goods where any amounts are overdue under any contract until all such amounts have been paid.

## 4. Despatch, Delivery and Risk

- (a) Whilst the Company will use all reasonable endeavors to keep to any stated despatch or delivery date such dates are to be regarded as a guide and approximate only and, provided it shall have used its reasonable endeavors as aforesaid the Company accepts no liability whatsoever for any loss or damage resulting from delay howsoever the same shall have been caused.
- (b) In the case of non-export sales, the Company will consign all goods by the method considered by the Company to be most appropriate and will bear the cost of packaging and carriage except where:-
- (i) otherwise agreed in writing; or
- (ii) the total contract price is less than the minimum order quantity or value from time to time established by the Company. Returnable packaging will be charged for as agreed between the parties.
- (c) In the case of export and non-export sales, delivery shall be effected Ex-Works (unless otherwise expressly agreed in writing).
- (d) The Purchaser must insure the goods in the full replacement value against all risks prudently insured against from the time that risk in the goods passes and must on demand produce to the Company evidence of such insurance.
- (e) The Purchaser must:-
- (i) examine the goods as soon as practicable and in any event within 3 days after delivery under any contract for the consequences of any such infringement, except to the extent that the Company has actual knowledge when the goods are delivered to the Purchaser, that they or their intended use or sale by the Purchaser as
- (ii) notify the Company and any carrier in writing of any shortage or excess or damage or other failure to conform to the contract within 14 days after the date of delivery and of any non-delivery within 14 days after the expected date of delivery; and
- (iii) give the Company, any carrier and their agents a reasonable opportunity to inspect the goods as delivered. If the Purchaser fails to do so, it will be deemed to have accepted the goods. In no event may the Purchaser reject goods for short delivery or reject the amount ordered where an excess has been delivered. This Condition 4(e) is without prejudice to Condition 6.
- (f) When the goods are delivered or shipped in lots, or by installments the contract shall be construed as a separate contract in respect of each lot or installment subject to these Terms and Conditions and any special conditions incorporated in the contract in writing.

## 5. Descriptions and Drawings

- (a) Subject only to Condition 6, all descriptions, drawings and catalogues of goods are approximate only being intended to serve merely as a guide and accordingly the Purchaser shall not rely on them and the Company shall not be liable for their accuracy.
- (b) All drawings prepared by the Company and the copyright therein shall remain the property of the Company and shall be returned to it by the Purchaser on demand. All such drawings shall be treated as confidential and shall not be copied or reproduced or disclosed to any third party without the prior written consent of the Company.

## 6. Warranty and Limitation of Liability

- (a) The Company warrants that it will without charge repair or (at the Company's discretion) replace the goods for refund, or issue a credit note against, all or an appropriate part of the price of the goods) if:-
- (I.) it is shown to the Company's reasonable satisfaction that on delivery they were defective as to material or workmanship or as to conformity with any specifications or technical drawings expressly agreed by it in writing to be binding or otherwise not in conformity with the express terms of the contract and that this was not caused wholly or partly by deterioration necessarily incident to the course of transit or, while the goods were at the Purchaser's risk, by accident, willful default, improper storage or use or failure to follow instruction; and
- (II.) within six months after delivery the Purchaser serves on the Company a written claim under this warranty and makes the goods available for inspection and testing on behalf of the Company or (if the Company so requires) returns them to the Seller's premises, carriage paid, on the basis that the Company will reimburse the cost if the claim is justified.
- (b) Subject to (d) below, the warranty in (a) above is in lieu of and supersedes, excludes and extinguishes (and the Purchaser shall rely on any other warranty, condition, representation, collateral contract, assurance, guarantee, stipulation, liability or obligation whatsoever by or on behalf of the Company (without limitation, whether in contract or tort including negligence or otherwise, whether express or implied or otherwise and whether arising at common law or by statute, custom, usage, course of dealing or otherwise) in relation to the goods' description, correspondence with sample, satisfactory or other quality or fitness for any purpose (whether or not made known to the Company) for which they are required or goods of the same kind are commonly supplied, or their appearance, finish, freedom from defects, safety or durability, or their performance, state, condition, design or other characteristics without limitation, whether on delivery or at any

other time. The Purchaser waives any rights and remedies which it may nevertheless have and the Company's liability is limited accordingly.

- (c) In any event, subject to (d) below, the Company's liability arising from breach of any contract:-
- (I.) shall not extend to wasted expenditure, loss of profit, increased loss or any other indirect, consequential or economic loss, injury or damage without limitation;
- (II.) shall not exceed the price paid or payable under the contract; and
- (III.) shall cease six months after delivery of the goods (or after their stated delivery date if not delivered) unless before then the Purchaser serves on the Company a reasonably detailed written claim and claim in any event cease absolutely if proceedings in respect of the claim have not been commenced within six months after service of the claim.
- (d) Nothing in these Conditions (other than Condition 11(c)) will exclude, restrict or limit:-
- (I.) in the case of a contract which is not an export sale, (1) liability for breach of any term implied by section 12 of the Sale of Goods Act 1979 and section 2 of the Supply of Goods and Services Act 1992 (title etc) or (2) liability for death or personal injury resulting from negligence or (3) liability up to GBP 3 million in respect of any particular contract for damage to the Purchaser's property resulting from negligence but limited to the cost of repair or replacement; or
- (II.) any liability of the Company for fraud; or
- (III.) any other liability of the Company if and to the extent that as a matter of English law it cannot be excluded, restricted or limited.
- (e) The Purchaser acknowledges that this Condition 6 is fair and reasonable in view of the Purchaser's expertise, assessment and testing of the goods and reliance on its own rather than the Company's skill and judgment and is reflected in the price. The Purchaser shall accept risk and/or insure accordingly.

## 7. Health and Safety at Work

Subject to Condition 6 above, the Purchaser shall be solely responsible for and shall keep the Company indemnified against any loss, liability or expense arising directly or indirectly from the use of the goods other than in accordance with recognized usage. The Purchaser shall comply (and ensure that its employees and agents comply) strictly with all instructions, warnings, data sheets and other materials (including without limitation those regarding health and safety and environmental matters) supplied by the Company with, or in connection with, the goods and shall, when supplying the goods, ensure they are accompanied by the same.

## 8. Force Majeure

The Company shall be deemed not to be in breach of any contract to the extent that it is prevented from or delayed or hindered in complying with what would otherwise be its obligations there under by any circumstances which are beyond its control or which it could not reasonably be expected to control including (but not limited to) any Act of God, war, armed hostilities, act of terrorism, riot, civil commotion, revolution, blockage, embargo, strike, lockout, sit-in, industrial or trade dispute, fire, explosion, flood, adverse weather, disease, accident to or breakdown of plant or machinery, shortage of any material, labour, transport, electricity or other supply, change of law or regulation or any form of Government, official or regulatory intervention.

## 9. Assignment

The Company may, but the Purchaser may not, assign, charge or otherwise dispose of any contract incorporating these Terms and Conditions or any rights there under in whole or in part. Any of the same purported to be effected by the Purchaser shall be void. The Purchaser shall upon request consent to a novation of any such contract to an affiliate of the Company or to any person to whom the Company may dispose of its business or any relevant part of it.

## 10. Events of Default

- (a) The Purchaser shall be deemed to be in default under and to have repudiated a contract if:-
- (i) the Purchaser or any of its affiliates fails to pay promptly any amount due and payable under, or otherwise breaches, that or any other contract with the Company or any of its affiliates; or
- (ii) the price or any other amount payable under the contract is not paid on demand, after: (1) any steps are taken with a view to the Purchaser or any of its affiliates or any of its or their assets becoming subject to any form of bankruptcy, winding-up, dissolution, administration, receivership, moratorium, insolvency proceedings, voluntary or other arrangement with creditors, enforcement of security, legal process or distress or repossession; or (2) the Purchaser ceases or threatens to cease business or payment or a judgment against it remains unsatisfied for 7 days; or (3) outside England and Wales anything corresponding to (1) or (2) above occurs or (4) the Purchaser is an individual and dies or is a partnership and any partner dies or (1), (2) or (3) above occurs in relation to any partner; or (5) the Company certifies to the Purchaser that it otherwise has reasonable grounds for believing that the Purchaser or any of its affiliates is insolvent or that the Company's right to receive payment, or its interest in the goods, is or will be in jeopardy.
- (b) The Purchaser shall notify the Company forthwith after it becomes aware that anything within (a)(ii)(1) to (4) above has occurred or is likely to occur. In (a) above the "affiliates" of the Company or the Purchaser means its subsidiaries and holding companies and the subsidiaries of its holding companies, within the meaning of the Companies Act 1985.
- (c) If (a) above applies, the Company may at any time (at its discretion and without prejudice to its other rights and whether or not it delivers any further goods or accepts any further payments) by written notice to the Purchaser to:-
- (I.) suspend any deliveries to be made under the contract and any other contracts with the Purchaser, (but without releasing the Purchaser from its obligations thereunder);
- (II.) terminate, cancel or rescind the contract and/or any other contracts with the Purchaser and/or claim damages;
- (III.) revoke any express or implied authority to sell, use or consume any goods the property in which remains with the Company and (1) require the Purchaser to deliver them immediately to the Company (and the Purchaser shall do so failing which the Company may enter the premises where they are without liability for any resulting damage (other than damage arising from the negligence or willful default of the Company), against the consequences of which the Purchaser shall indemnify the Company) and (2) resell them or transfer the property in them to the Purchaser;
- (IV.) declare (whereupon there shall forthwith become) immediately due and payable any indebtedness of the Purchaser to the Company under the contract and/or on any account whatsoever; and/or
- (V.) set off any indebtedness of the Company to the Purchaser against any indebtedness of the Purchaser to the Company, in each case on any account whatsoever.

## 11. Intellectual Property

- (I.) The Purchaser shall have no rights to any intellectual property owned by or licensed to the Company other than (if applicable) to resell the goods under the trade or service mark applied by the Company. The Purchaser shall not, without the Company's prior written consent, allow any trade or service mark or any instruction or warning applied to the goods to be obliterated or obscured.
- (II.) Unless otherwise agreed by the Company in writing, all know-how, samples and other items relating to the goods or their development or creation supplied or generated by or on behalf of the Company shall remain the Company's property, shall be treated as confidential and shall not be copied, reproduced or disclosed to any person without the Company's prior written consent.
- (III.) The Purchaser shall forthwith notify the Company after it becomes aware of any allegation or information suggesting that the goods or their use or sale infringes any third party intellectual property rights. The Company shall not be liable to the Purchaser under any contract for the consequences of any such infringement, except to the extent that the Company has actual knowledge when the goods are delivered to the Purchaser that they or their intended use or sale by the Purchaser as disclosed to the Company would infringe such rights. The Company may conduct any related dispute and the Purchaser shall assist the Company. The terms implied by sections 12(1) and 12(2) of the Sale of Goods Act 1979, so far as they relate to intellectual property rights, are qualified accordingly and to that extent the Company will transfer only such title as it has.

## 12. Confidentiality

All information and advice, written or oral, of whatever nature supplied by the Company to the Purchaser is for the Purchaser's sole use and may not be disclosed or made available to any third party (save to the extent it is in the public domain otherwise than by breach of this Condition or disclosure is required by law) without the Company's prior written consent.

## 13. Packaging

The Purchaser will dispose of all packaging in accordance with all regulations (whether statutory or otherwise) relating to the protection of the environment.

## 14. Licences and Consents

- (a) If a licence or consent of any government or other authority is required for the supply, carriage or use of the goods by the Purchaser, the Purchaser will obtain such licence or consent at its own expense and produce evidence of it to the Company on demand.
- (b) The Purchaser is not entitled to withhold or delay payment of the price if it fails to obtain any licence or consent, and will pay any additional costs or expenses incurred by the Company as a result of such a failure.

## 15. Third Parties

A person who is not party to a contract shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such contract. This condition does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

## 16. Waiver

(a) The rights and remedies provided by any contract may be waived only in writing and specifically, and any failure to exercise or any delay in exercising a right or remedy by the Company shall not constitute a waiver of that right or remedy or of any other rights or remedies. No waiver by the Company of any breach shall operate as a waiver of any other or subsequent breach.

## 17. General

- (a) Any notice under these Terms and Conditions or any contract to the Company or the Purchaser or otherwise shall be in writing and shall be given by recorded delivery or registered post (if posted in the United Kingdom) or prepaid airmail post (if posted outside the United Kingdom) or by hand delivery, telex or fax:-
- (i) when given to the Purchaser, to any address or telex or fax number from which the Company has received communications from the Purchaser in connection with the contract; and
- (ii) when given to the Company, to Raydex/CDT Ltd, Stockton Street (off Church Street), Littleborough, Lancashire OL15 8YJ, England 01706 370576 (fax) for the attention of (the Company Secretary) or to such other address or telex or fax number or for the attention of such other person as the Company may notify to the Purchaser.
- (b) If the Purchaser comprises two or more persons, their obligations are joint and several.
- (c) The Company's rights under these Terms and Conditions are in addition to any other right which it may have under the general law or otherwise and none of them shall be prejudiced or restricted by any concession, indulgence or forbearance extended to the Purchaser.
- (d) The headings used in these Terms and Conditions are for convenience only and shall not affect the construction thereof.