

CML Microcircuits (UK) Ltd

CONDITIONS OF SALE

Unless otherwise stated in writing the following conditions shall apply:

1. Quotations and Acceptance.

- a) Quotations are valid for ninety (90) days and represent no obligation until the Seller accepts the Purchaser's order.
- b) In the event of inconsistency between the Seller's and the Purchaser's conditions the Seller's shall prevail. No variation of the Seller's conditions shall be binding upon the Seller unless and until the variation has been accepted in writing by a duly authorised person on behalf of the Seller.

2. Price and Delivery.

- a) Prices do not include VAT.
- b) Unless otherwise agreed delivery will be ex-works and goods will be packed into the Seller's normal specification non-returnable packing and carriage will be arranged at the request and at the expense of the Purchaser. Where applicable C.O.D. charges will be added to the price of the goods.
- c) Release documentation and Certificates of Conformity for items supplied from bonded stock will normally be provided free of charge.
- d) Any delivery period quoted is an estimate only and commences from the Seller's acknowledgement of the Purchaser's order. Provided the Seller takes all reasonable steps to deliver the goods at the time stated the Seller shall be under no liability to do so.
- e) The Seller reserves the right to deliver in more than one consignment and to invoice each consignment separately.
- f) Purchasers outside the UK are responsible at their own expense for obtaining any import licence required in the country for which the goods are destined. The Seller is responsible for seeking any export licence from the UK that may be necessary unless the Purchaser's office from which the orders are issued is situated in the UK.
- g) Save where different conditions are stated therein all contracts for export from the UK shall be in accordance with INCOTERMS 2010 or any amendment or re-publication thereof for the time being in force at the date of the contract.

3. Title and Risk.

- a) Ownership will pass to the Purchaser only on receipt by the Seller of the full invoice price of the goods.
- b) Risk in the goods shall pass in accordance with the delivery and carriage terms stated in the Seller's acknowledgement of order or in the absence of such statement then on leaving the Seller's premises.

4. Payment.

- a) In the case of deliveries within the UK payment shall be due 30 days from date of invoice except where Seller stipulates C.W.O. or C.O.D. terms. Payment shall not be withheld on account of any claim by the Purchaser against the Seller.
- b) In the case of exports from the UK unless otherwise agreed all payments shall be made in the UK through an irrevocable Letter of Credit confirmed by a London Clearing Bank to be established in favour of the Seller and have an initial validity equal to the delivery period plus one month. The Letter of Credit shall permit part shipments and provide for the release of 100% of the contract value of each shipment. No liability to deliver goods shall arise before the Seller is in receipt of a satisfactory Letter of Credit as aforementioned.
- c) The Seller reserves the right to suspend deliveries where payment for any order related or otherwise has not been made on due date and remains outstanding.

5. Description and Data.

- a) Goods will be supplied as described but the Seller reserves the right to make design changes provided that such changes do not adversely affect the performance or mechanical interchangeability or reliability of the goods.
- b) The Seller shall make every effort to ensure the accuracy of technical data or literature relating to the goods, but the Seller (so far as is permitted by law) accepts no liability in contract tort or otherwise for any damages or injury arising directly or indirectly from any error or omission in such technical data or literature.

6. Limitations as to Use.

The Seller's products are not authorised for use in devices or systems for life support applications or airborne civil aviation applications without the express written approval of the Seller. The Purchaser undertakes to draw this limitation to the attention of any person to whom it resells the goods.

7. Guarantee.

- a) The Seller guarantees at its discretion to refund the price of the goods or to repair or replace free of charge any of the goods found to its satisfaction to be defective within 12 months of the date of delivery owing to faulty design, materials or workmanship, provided that the goods have not been modified or repaired other than by the Seller and have been operated, stored and maintained within the Seller's recommendations for use.
- b) Goods returned under this guarantee shall be delivered to the Seller's premises at the Purchaser's expense.
- c) The Seller's obligation herein to refund repair or replace the goods is the sole liability of the Seller as regards the quality fitness or description of the goods and their correspondence with sample. All other representations warranties conditions terms and statements as regards the same express or implied, statutory or otherwise are excluded save where not capable of exclusion at law. The Seller is under no further liability in contract tort or otherwise for any loss damage or injury arising directly or indirectly from or in relation to the quality fitness or description of the goods and their correspondence with sample.
- d) The Purchaser shall inspect the goods and notify the Seller of any defects or other non-conformance within 30 days from the date of delivery.

8. Force Majeure.

The Seller shall have no liability in respect of failure to deliver or perform or delay in delivering or performing any obligations under the contract due to any cause outside the reasonable control of the Seller including but not limited to act of God, fire, floods, war and civil disturbances or riots, acts of Government, currency restriction, labour disputes, strikes, unavailability of materials or failure of supplier carrier or sub-contractor to deliver on time.

9. Price Variation.

The Seller reserves the right to increase the price of the goods agreed to be sold in proportion to any increase of costs to the Seller due to any act of default of the Purchaser, including the cancellation by the Purchaser of part of any order.

10. Intellectual Property Rights.

- a) Where the goods require a certain Function Image™ to be downloaded for their proper operation, the Seller will permit the Purchaser or any subsequent purchaser of the goods, subject to registering with the Seller as a customer or user of the goods and to their accepting the applicable Function Image™ licence, to download such Function Image™ from the Seller's website. The copyright in such Function Image shall remain with the Seller.
- b) The sale of the goods and the publication of any information or technical data relating thereto does not imply freedom from patent, registered design or other industrial property rights in respect of any particular application of the goods.
- c) The Purchaser undertakes to indemnify and keep indemnified the Seller against all royalties, claims, actions, demands, proceedings, losses and costs in connection with any infringement or alleged infringement of any patent registered design or other industrial property right in the manufacture, sale or application of any product in which the goods may be incorporated.

11. Tools.

Tools made for the manufacture of goods to be supplied under the contract and the copyright therein remain the Seller's property notwithstanding that the Purchaser may have been debited with any sum in respect of their cost.

12. Purchaser's Items.

Items supplied by the Purchaser for the contract shall be of suitable quality and shall be provided free of charge in sufficient quantities and at the times required by the Seller. Any defects in items provided by the Purchaser shall not entitle the Purchaser to rescind the contract, reject the goods, make deductions from the contract price or claim damages in respect of such defect and the Purchaser shall indemnify the Seller from and against all actions, demands, claims, proceedings, losses or costs arising from the supply of defective items by the Purchaser.

13. Limitation of Liability.

The Seller shall not be liable in contract for any loss or damage suffered by the Purchaser whatsoever or howsoever arising out of or in connection with the supply of goods or services by the Seller other than to supply goods conforming to the original agreed specification or at the Seller's option to refund to the Purchaser any monies already paid in respect of the goods.

14. Cancellation and Returned Goods.

- a) Cancellation will not be accepted for non-catalogued items. If the Seller agrees to accept cancellation or part cancellation of an order for catalogued items a charge of 20% of total order price will be made.
- b) Except under the guarantee in Clause 7 no returns are permitted without the Seller's previous consent.
- c) If the Seller agrees to accept returns other than under the guarantee contained in Clause 7 they must be returned at the Purchaser's expense in original condition and any credit replacement or substitution shall be at the Seller's sole discretion subject to satisfactory test report.

15. Schedule Changes.

No schedule changes may be made within 90 days of the Ship Date. The Seller reserves the right to increase the price of the goods agreed to be sold to reflect any increase of costs to the Seller at the time of Seller's acceptance to any schedule changes. Seller's acceptance of any schedule changes shall not constitute a waiver nor affect Seller's rights or legal remedies with regard to additional or further schedule changes requested by Buyer. Failure on the part of the buyer to accept delivery in accordance with the Ship Date or to establish payment on COD orders constitutes an order cancellation and is subject to all cancellation charges set forth above.

16. Termination.

If the Purchaser commits any breach of the terms and conditions of the contract or becomes insolvent or bankrupt or enters into any arrangement or composition with his creditors or goes or is put into liquidation (other than solely for amalgamation or reconstruction while insolvent) or if a receiver is appointed over any part of the Purchaser's business the Seller may without prejudice to any rights which may have accrued or which may accrue to it terminate the contract summarily by notice in writing.

17. Law.

Any question relating to any quotation or any contract subject to these conditions or agreed amendment of these conditions shall be determined in all respects by the laws of England.