

CONDITIONS OF PURCHASE

1. INTERPRETATION

In these Conditions (unless the context otherwise requires):

- “Buyer” means Advanced Medical Solutions Limited;
- “Contract” means the Contract for the purchase and sale of the Goods and/or supply and acquisition of the Services;
- “Goods” means the products, materials, equipment, machinery or any other Goods (including any instalment or part of them) to be supplied pursuant to the Contract;
- “Order” means the Buyer’s order for the supply of the Goods and/or performance of the Services;
- “Seller” means the person firm or company (“Legal Person”) to whom the Order is addressed. Where the Seller is more than one Legal Person, each shall be jointly and severally liable for complying with the obligations from the Contract;
- “Services” means the Services (if any) described in the Order;
- “Specifications” means the technical or other requirements (if any) for the Goods and/or the Services contained in or referred to in the Order;

- 1.2 The headings in these Conditions are for convenience only and shall not affect their interpretation.
- 1.3 Words in the singular shall include words in the plural and vice versa, references to any gender shall include the others and references to legal persons shall include natural persons and vice versa. References to Clauses are references to clauses of these Conditions, the singular shall be deemed to include the plural, and vice versa.

2. CONTRACT

- 2.1 These Conditions shall apply to the Contract to the exclusion of any other terms and conditions on which any quotation has been given to the Buyer or subject to which the Order is accepted or purported to be accepted by the Seller. The Seller waives any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of the Seller that is inconsistent with these Conditions.
- 2.2 Except in relation to any agreements entered into between the Buyer and the Seller in respect of the relevant Goods and/or Service (including but not limited to any Secrecy Agreement and/or any Purchasing Agreement) which shall prevail over these Conditions, these Conditions constitute the entire agreement between the parties and supersede and extinguish all previous agreement, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 2.3 No variation to the Order or these Conditions shall be binding unless agreed in writing by the Buyer and signed on its behalf.
- 2.4 Any concession made or latitude allowed by the Buyer to the Seller shall not affect the strict rights of the Buyer under the Contract.

3. ACKNOWLEDGEMENT

- 3.1 The Buyer shall be bound by the Order only if:
- (a) it is placed on the Buyer’s official order form; and
- (b) the Seller notifies the Buyer within seven (7) days of the date of the Order or within such other period as may be specified in the Order.

4. INSPECTION TESTING AND SAMPLES

- 4.1 The Buyer shall be entitled to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to dispatch, and the Seller shall provide or procure the provision of all facilities reasonably required for inspection and testing.
- 4.2 If as a result of inspection or testing the Buyer is of the reasonable opinion that the Goods or the Services do not comply with the Contract or are unlikely upon completion of manufacture or processing so to comply the Buyer will inform the Seller and the Seller shall take such steps as may be necessary to ensure such compliance.
- 4.3 If so required by the Buyer the Seller shall submit samples of the Goods for the Buyer’s approval before the Goods are delivered or before the Services are performed (as the case may be). Such samples should be marked by the Seller for identification.

5. PRICE OF THE GOODS AND SERVICES

- 5.1 The price of the Goods and/or the Services shall be as stated in the Order and, unless otherwise so stated, shall be:
- 5.1.1 exclusive of any applicable value added tax which shall be payable by the Buyer (subject to receipt of a VAT invoice) at the rate prevailing at the relevant tax point; and
- 5.1.2 inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the address for delivery shown on the Order and any duties, imposts or levies other than value added tax.
- 5.2 No increase in the price may be made (whether on account of any foreign exchange fluctuation, increased costs of labour, materials or transport or otherwise) without the Buyer’s prior written consent.
- 5.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Seller, whether or not shown on its own terms and conditions of sale.

6. TERMS OF PAYMENT

- 6.1 Payment shall be made within the period after delivery of the Goods or performance of the Services specified in the Contract or if delivery of the Goods or performance of the Services is postponed at the Buyer’s request within the same period after the date of postponement.
- 6.2 Unless otherwise stated in the Order, the Buyer shall pay the price of the Goods and the Services within sixty (60) days after the end of the month of receipt by the Buyer of a proper invoice or, if later, after acceptance of the Goods or Services in question by the Buyer.
- 6.3 Payment shall be made in the currency specified in the Order, or if none, in pounds sterling.
- 6.4 The Buyer shall be entitled to set off against the price any sums owed to the Buyer by the Seller.

7. DELIVERY AND PERFORMANCE

- 7.1 The Goods shall be delivered to, and the Services shall be performed at, the address stated on the Order on the date or within the period stated in the Order, in either case during the Buyer’s usual business hours. The Seller shall be responsible for offloading the Goods.
- 7.2 The time of delivery of the Goods and of performance of the Services is of the essence of the Contract, and where no such time is specified in the order the Buyer may by twenty-eight (28) days’ notice to the Seller make time of the essence as at the date fixed by the notice.
- 7.3 The Buyer shall have no obligation to pay for or return packing cases, skids, drums or other articles used for packing the Goods whether or not re-usable.
- 7.4 An advice note quoting the number of the Order, giving full particulars of the Goods supplied (including quantity) specifying the date of delivery, by whom delivery was made and any special storage or handling instructions must accompany each delivery or consignment of the Goods and must be displayed prominently. A copy of the advice note must be sent to the Buyer on the day upon which the Goods are delivered and an invoice stating the purchase order number must be promptly delivered to the Buyer.
- 7.5 If the Goods are to be delivered, or the Services are to be performed, in instalments, the Contract will be treated as a single Contract and not severable.
- 7.6 The Seller shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services.
- 7.7 The Goods shall be marked in accordance with the Buyer’s instructions and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.
- 7.8 Unless expressly agreed by Buyer, all Goods must conform to European and local laws and a certificate of

conformity provided. Seller shall ensure that a CE marking label is affixed to any machinery that is comprised in the Goods.

- 7.9 If the Goods are not delivered or the Services are not performed on the due date then, without prejudice to any other remedy, the Buyer shall be entitled to deduct from the Price or (if the Buyer has paid the Price) to claim from the Seller by way of liquidated damages for delay 10 per cent of the Price for every week’s delay, up to a maximum of 80 per cent.
- 7.10 If for any reason the Buyer is unable to accept delivery of the Goods at the time when the Goods are due and ready for delivery the Seller shall if his storage facilities permit store the Goods, safeguard them and take all reasonable steps to prevent their deterioration until their actual delivery and the Buyer shall be liable to the Seller for the reasonable cost (including insurance) of its so doing.
- 7.11 The Seller shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.
- 7.12 The Seller shall ensure that at all times it complies with the Buyer’s Ethical Sourcing Policy which is available at: www.admedsol.com.

8. RISK AND PROPERTY

- 8.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery to the Buyer in accordance with the Contract.
- 8.2 With prejudice to the earlier passing of title in accordance with any statute or rule of law the property in the Goods shall pass to the Buyer upon delivery, unless payment for the Goods is made prior to delivery, when it shall pass to the Buyer once payment has been made and the Goods have been appropriated to the Contract. The passing of title to the Buyer shall be without prejudice to any right of rejection of the Buyer.

9. BUYER’S MATERIAL AND EQUIPMENT

- 9.1 All tools, equipment, patterns, drawings, specifications and documentation supplied by the Buyer to the Seller (the “Material”) and all jigs tools moulds patterns and other equipment supplied to the Seller or ordered by the Buyer from the Seller for the execution of the Contract (the “Equipment”) shall remain the property of the Buyer and shall be used solely for the purpose of the Contract and returned to the Buyer forthwith upon request. In the event that the Seller fails to so return the Material and/or the Equipment the Buyer is hereby irrevocably authorised without any requirement as to notice to enter upon the premises of the Seller for the purpose only of recovering the Materials and/or the Equipment.
- 9.2 The Equipment and the Material shall be maintained in good condition by the Seller and the Seller shall indemnify the Buyer against all loss thereof or damage thereto whilst the same is in the Seller’s possession or control.
- 9.3 Where the Goods are designed, created or otherwise developed by or for the Buyer pursuant to the Contract, then all intellectual property rights therein or relating thereto throughout the world (including without limitation, patents, copyright, design rights, trademarks, service marks and know how and the rights to apply for any of the foregoing) (the “Intellectual Property Rights”) shall belong to the Buyer absolutely. The Seller hereby assigns the Intellectual Property Rights to the Buyer with the intent that upon the making or creation thereof the Intellectual Property Rights shall automatically vest in the Buyer.
- 9.4 The Seller shall at the Buyer’s request (and notwithstanding the termination of the Contract) sign and execute and procure the signature and execution of all such documents and do all such acts as the Buyer may reasonably require:
- 9.4.1 To vest the legal title in, apply for, obtain and maintain in force in the Buyer’s sole name (unless it otherwise directs) the Intellectual Property Rights;
- 9.4.2 To resist any objection or opposition to obtaining, and any petitions or applications for revocation of, any of the Intellectual Property Rights;
- 9.4.3 To bring any proceedings for infringement of any of the Intellectual Property Rights.
- 9.5 The Seller irrevocably undertakes that neither it nor any other person will assert against the Buyer or any third party any moral rights (where “moral rights” has the meaning ascribed thereto by the Copyright, Designs and Patents Act 1988 (or any statutory amendment or re-enactment thereof and all similar rights subsisting in any part of the world) or relating to the Intellectual Property Rights and warrants that all such moral rights are irrevocably waived and extinguished.

10. WARRANTIES AND LIABILITY

- 10.1 Without prejudice to any other rights the Buyer may have the Seller warrants to the Buyer that:
- 10.1.1 The Goods will:
- (a) be of the highest quality and fit for their normal purpose and any other purpose held out by or known to the Seller in writing at the time the Order is placed;
- (b) be free from defects in design, material and workmanship;
- (c) be capable of any standard of performance specified in the Contract;
- (d) be equal in all respects to any samples or patterns provided by either party and to the Specifications; and
- (e) comply with all statutory and EU requirements and regulations and all applicable laws relating to the manufacture and sale of the Goods at the time when the same are supplied.
- 10.1.2 The 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 Buyer to expect in all the circumstances and will be fit for their normal purpose and any other purpose held out by or known to the Seller at the time the Order is placed.
- 10.2 Without prejudice to any other remedy, if any Goods and/or Services are not supplied or performed in accordance with the Contract, or if any defect materialises within a period of twelve (12) months after delivery and/or performance (or such other period as the Buyer may agree to in writing) then the Buyer shall be entitled at the Buyer’s option:
- 10.2.1 to require the Seller to repair the Goods and or to supply replacement Goods or Services in accordance with the Contract within the time specified in writing by the Buyer; or to treat the Contract as discharged by the Seller’s breach (which includes any failure of the Goods and/or Services to meet the Contract requirements following repair or replacement) and require the repayment of any of the price which has been paid.
- 10.2.2 to treat the Contract as discharged by the Seller’s breach (which includes any failure of the Goods and/or Services to meet the Contract requirements following repair or replacement) and require the repayment of any part of the price which has been paid.
- 10.3 In addition to its obligations pursuant to Clause 10.2 the Seller shall indemnify the Buyer in full against all actions, suits, claims, demands, costs, charges damages losses and expenses (including legal expenses) awarded against or incurred or paid by the Buyer and/or for which it may be liable to a third party arising from or in connection with:
- 10.3.1 breach of any warranty given by the Seller in relation to the Goods and/or Services;
- 10.3.2 breach of any provision of the Contract by the Seller;
- 10.3.3 any claim that the Goods infringe, or their importation, use or resale, infringes the patent, copyright, design right, trademark or other intellectual property rights of any other person, except to the extent that the claim arises from compliance with any specification or drawing supplied by the Buyer;
- 10.3.4 any liability under the Consumer Protection Act 1987 in respect of the Goods; and
- 10.3.5 any act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods or in connection with the performance of the Services.

11. CONFIDENTIALITY

- 11.1 Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party or of any member of the Group to which the other party belongs, except as permitted in the remainder of this Clause 11. For the purposes of this Clause 11, Group means, in relation to a party, that party, any subsidiary or holding company from time to time of that party, and any subsidiary from time to time of a holding company of that party.
- 11.2 Each party may disclose the other party’s confidential information; (i) to its employees, officers, representatives or advisers who need to know such information for the purposes of pursuing the party’s rights or carrying out its obligations under or in connection with this agreement. Each party shall ensure that its employees, officers,

representatives or advisers to whom it discloses the other party’s confidential information comply with this Clause 11; and (ii) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

11.3 No party shall use any other party’s confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with the Contract.

12. FORCE MAJEURE

- 12.1 The Buyer shall not be liable to the Seller or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of its obligations in relation to the Goods or the Services, if the delay or failure was due to any cause beyond the Buyer’s reasonable control including but not limited to:
- 12.1.1 war or threat of war, sabotage, insurrection, civil disturbance, terrorism or threat of terrorism or requisition;
- 12.1.2 acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority, fire department or police;
- 12.1.3 import or export regulations or embargoes;
- 12.1.4 strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);
- 12.1.5 difficulties in obtaining raw materials, labour, fuel, parts or machinery; power failure or breakdown in machinery; and
- 12.1.6 strikes, lockouts, accidents, war, fire, reduction in or unavailability of power or breakdown of plant or machinery.

13. TERMINATION

- 13.1 The Buyer shall be entitled to cancel the Order in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery or performance, in which event the Buyer’s sole liability shall be to pay to the Seller the price of the Goods or Services in respect of which the Buyer has exercised its right of cancellation, less the Seller’s net saving of cost arising from cancellation.
- 13.2 The Buyer shall be entitled to terminate the Contract without liability to the Seller by giving notice to the Seller at any time if:
- 13.2.1 the Seller commits a material breach of any provision of this Contract which it does not remedy (where remedy is possible) within a period of thirty (30) days of receipt of a written notice from the Buyer specifying the breach and requiring remedy;
- 13.2.2 the Seller makes any voluntary arrangement with its creditors (within the meaning of the insolvency Act 1986) or becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or
- 13.2.3 an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Seller; or
- 13.2.4 the Seller ceases, or threatens to cease, to carry on business; or
- 13.2.5 the Buyer reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly.

14. INSURANCE

The Seller shall insure and keep insured the Goods and/or Services for the period of the Contract and for a period of six (6) years thereafter, against all risk of loss or damage in a minimum sum of £1,000,000 on any one claim and with unlimited liability on the public liability policy. The Seller shall produce the relevant policies and evidence of the insurance premiums from time to time on request from the Buyer and shall require an endorsement on the policy noting the Buyer’s interest.

15. WORK ON SITE

The Seller will commit no act or omission at the Buyer’s premises which would render the Buyer liable to any person and the Seller shall observe all regulations and provisions in force relating to the safety of persons using the Buyer’s premises.

16. GENERAL

- 16.1 The Buyer is a member of the group of companies whose ultimate parent company is Advanced Medical Solutions Group plc and accordingly the Buyer may perform any of its obligations or exercise any of its rights hereunder by itself or through any other member of its group, provided that no act or omission of any such other member shall be deemed to be the act or omission of the Buyer.
- 16.2 The order is personal to the Seller and the Seller shall not assign, transfer, license or sub-contract or purport to assign transfer, license, or sub-contract to any other person all or part of its rights and obligations under the Contract.
- 16.3 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.
- 16.4 If any provision of these conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these conditions and the remainder of the provision in question shall not be affected.
- 16.5 No failure or delay by the Buyer to exercise any rights under the Contract shall be operated as a waiver thereof. Any waiver by the Buyer of any breach by the Seller shall not affect the rights of the Buyer in the event of further or additional breaches.
- 16.6 Any dispute arising out of or in connection with these Conditions or the sale of the Goods or performance of the Services including any questions regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the rules of the London Court of International Arbitration, which rules are deemed to be incorporated by reference into this Clause 16.6. The number of arbitrators shall be one, the seat, or legal place, or arbitration shall be London and the language to be used in the arbitral proceedings shall be English. The decision of the arbitrator shall be final and binding on the parties and accordingly the parties agree to exclude any right of application or appeal to the English courts concerning any question of law arising in the course of the arbitration.
- 16.7 Unless it expressly states otherwise and except for any member of the group of companies whose ultimate parent company is Advanced Medical Solutions Group plc this agreement does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 in enforce any term of this agreement.
- 16.8 The Contract shall be governed by the laws of England, and the Seller agrees subject to the provisions of Clause 16.6 to submit to the non-exclusive jurisdiction of the English Courts.