

MICRO-ROBOTICS LTD

TERMS AND CONDITIONS OF SALE

1. GENERAL

All orders are accepted and goods supplied subject to and upon these Terms and Conditions of Sale to the exclusion of all other terms and conditions (including any terms or conditions which the Customer purports to apply under any purchase order, confirmation of order, specification or other document). Any contract between Micro-Robotics Limited whose registered office is situated at The Old Maltings, 135 Ditton Walk, Cambridge, CB5 8QB ("the Company") and any person to whom goods are supplied ("the Purchaser") is constituted by, and no binding obligation on the part of the Company shall arise until, the Company's acceptance, whether upon the Company's written acknowledgement of the Purchaser's order or upon the Company commencing processing the Purchaser's order, whichever is the earlier.

2. DELIVERY

(a) Delivery of the goods shall be deemed to be effected when the goods are delivered to the Purchaser's place of business or such other place as the Purchaser specifies in its order.

(b) The Company will use all reasonable endeavours to effect delivery of the goods on or before any date of delivery quoted but time of delivery shall not be of the essence and the Company shall not be liable for any loss or damage whatsoever arising directly or indirectly from any failure to effect delivery on such date.

(c) Without prejudice to any other right or remedy the Company may have, the Company reserves the right to suspend deliveries to the Purchaser and/or to terminate the contract without liability to the Company in the event of any failure by the Purchaser to comply with any of these Terms and Conditions.

(d) Should any goods be damaged in transit, the Purchaser must notify the Company within three working days of receipt.

(e) The Company shall not be liable for any non-delivery of goods (even if caused by the Company's negligence) unless written notice is given to the Company within 10 working days of the date when the goods would in the ordinary course of events have been received. Any liability of the Company for non-delivery of the goods shall be limited to replacing the goods within a reasonable time or issuing a credit note at the pro rata contract rate against any invoice raised for such goods.

3. PRICE AND PAYMENT

(a) The prices for the goods shall be the price quoted by the Company which shall be exclusive of VAT and all costs or charges in relation to loading, unloading, carriage and insurance all of which the Purchaser will pay in addition.

(b) Payment shall be due and payable either: -

(i) in advance with the Purchaser's order and receipted invoices will be rendered upon delivery of the goods; or

(ii) if so agreed in advance by the Company in writing, by the last business day of the month following the month in which the Company's invoice is issued; or

(iii) in accordance with any credit arrangement agreed in advance and in writing by the Company.

(c) Without prejudice to the Company's other rights in connection with late payment, any sum not paid on the due date shall attract interest at the rate of 4% per annum above the base rate of Barclays Bank Plc from time to time; to accrue daily from the date upon which it fell due until payment whether before or after any judgment.

(d) Time for payment shall be of the essence.

4. TITLE TO GOODS

(a) Until all payments due from the Purchaser to the Company have been received in full the Purchaser shall hold the goods in a fiduciary capacity as bailee for the Company and

(i) legal and beneficial title to the goods shall remain with the Company and the Purchaser shall store the goods in such a way that they are clearly identifiable as the property of the Company and can be identified against the unpaid invoices of the Company and

(ii) the Company reserves the right to dispose of the goods and may retake possession thereof at any time and for that purpose the Purchaser 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 Purchaser's right to possession has terminated, to recover them.; and

(iii) if the Purchaser incorporates or allows the incorporation of the goods into other goods in any way, legal and beneficial title to those goods shall vest forthwith in the Company and the Purchaser shall hold such other goods in a fiduciary capacity as bailee for the Company and the Purchaser shall comply with the provisions of sub-clauses (i) and (ii) above in relation to such other goods; and

(iv) without prejudice to the foregoing sub-clauses the Purchaser shall be entitled to sell the goods or such other goods in the normal course of business provided that a record is kept of any monies so received which shall be held separately on behalf of the Company to whom the Purchaser shall have a fiduciary duty to account to the extent of its indebtedness.

(b) Notwithstanding the foregoing, risk in the goods will pass to the Purchaser on delivery as defined in Clause 2 (a) above.

5. SAFETY WARNING

The Purchaser acknowledges that the goods supplied by the Company should not be used in such a way

that any failure or defect could endanger human health or safety. Where the Purchaser is in any doubt as to the suitability of the goods for any particular purpose the Purchaser should contact the Company to discuss its requirements. In any event the Purchaser should read the instructions supplied by the Company with the goods carefully before commencing use of the goods for any purpose whatsoever. The Purchaser undertakes to ensure compliance by its employees, agents, licensees and customers with the instructions supplied by the Company for the purpose of ensuring that the goods will be safe and without risk to health when properly used. The Purchaser shall take all necessary steps and precautions, having regard to the nature of the goods, as are necessary to preserve the health and safety of persons handling, using or disposing of them.

6. WARRANTY

(a) The Company warrants that the goods will be free of material defects caused by reason of faulty design, materials or workmanship for a period of 1 year from the date of delivery and in the event of any defects arising during such period the Company will repair such defects or replace defective parts free of charge. If the Company complies with this Clause 6(a) it shall have no further liability for a breach of the warranty in this Clause 6(a) in respect of such goods.

(b) This warranty excludes: -

(i) defects arising within the warranty period by reason of the Purchaser's failure to use, store, install or transport the goods in accordance with the Company's instructions as advised by the Company or as set out in the instruction manual supplied with the goods; or

(ii) damage caused to the goods within the warranty period by external factors or equipment to which the goods are attached or in which the goods are incorporated.

(c) The Company shall not be liable for a breach of the warranty in Clause 6(a) above if the Purchaser makes any further use of such goods after discovering the defect.

(d) Nothing in these Terms and Conditions excludes or limits the liability of the Company for death or personal injury caused by the Company's negligence or for fraudulent misrepresentation. Save as expressly provided in Clause 6 (a) above the Company excludes all other warranties and conditions, express or implied by law, with respect to the goods except insofar as such exclusion is not permitted by law and the Company shall not be liable to the Purchaser for any loss or damage whatsoever (including, without prejudice to the generality of the foregoing, any liability in contract negligence or any other tort for any indirect or consequential or economic loss or for loss of or depletion of goodwill, loss of business, loss of profit or opportunity of any kind) arising directly or indirectly in connection with the contract, goods or otherwise. In no event shall the liability of the Company in respect of any event

or series of connected events exceed in any circumstances whatsoever the sum of £1,000,000.

7. WAIVER OF BREACH

The rights of the Company shall not be prejudiced or restricted by any indulgence or forbearance extended to the Purchaser and no waiver by the Company in respect of any breach by the Purchaser shall operate as a waiver in respect of any subsequent breach.

8. FORCE MAJEURE

Neither party shall be responsible for any default hereunder where such default is directly or indirectly caused by or arises out of any event beyond its reasonable control and 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 Purchaser (without liability to the Purchaser) if it is prevented or hindered from complying with its obligations under the contract by any such event.

9. ENTIRE AGREEMENT

These Terms and Conditions shall constitute the entire agreement between the parties in substitution for and to the exclusion of any prior agreement and shall only be capable of variation by written agreement signed by a Director of the Company.

10. RIGHTS OF THIRD PARTIES

These Terms and Conditions and any contract between the parties incorporating these Terms and Conditions are not intended to confer a benefit on any third party, whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise, and no third party shall have any right to enforce any of the provisions of the Contract.

11. ILLEGALITY

If any provision of these Terms and Conditions is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, unenforceable or unreasonable it shall to the extent of such illegality, invalidity, voidness, unenforceability or unreasonableness be deemed severable and the remaining provisions of these Terms and Conditions and the remainder of such provision shall continue in full force and effect.

12. GOVERNING LAW

These Terms and Conditions and any contract between the Purchaser and the Company incorporating these Terms and Conditions shall be governed by and construed exclusively in accordance with English Law and the parties submit to the exclusive jurisdiction of the English courts in respect of any dispute or claim arising out of or relating to these Terms and Conditions and any such contract.