

# MEDICAL AIR TECHNOLOGY LTD.

## STANDARD TERMS AND CONDITIONS OF SALE

### 1. DEFINITIONS

"The Seller" shall mean Medical Air Technology Ltd. ("M.A.T")  
"The Buyer" shall mean the body with whom the Contract is established.  
"The Contract" shall mean the Contract between the Seller and the Buyer to which these conditions apply.  
"The Quotation" shall mean the quotation or tender of the Seller to which these conditions apply or from which the Contract arises.  
"The Goods" shall mean the goods to be supplied to the Buyer under the Contract.  
"The Services" shall mean the services to be rendered to the Buyer under the Contract.  
"The Contract Price" shall mean the price payable in Pounds Sterling for the Goods and the Services under the Contract

### 2. DELIVERY

a) Unless otherwise agreed, delivery will not include off-loading, positioning, erection, installation or commissioning, and the Buyer will arrange for off-loading to take place promptly on arrival of the goods at site.  
b) Where the Contract provides for the off-loading, erection, installation or commissioning of the Goods by the Seller, the Buyer will at its own expense provide or secure the Provision on and from the relevant delivery date of all labour and tackle for the off-loading, erection and installation of the Goods, adequate access (including parking space for delivery vehicle and lift or hoist where the site is not at ground floor level) to and uninterrupted possession of the site, a proper structure ready to receive the Goods, adequate secure storage for the Goods and all equipment of the Seller or its sub-contractors on site for the purposes of the Contract and all necessary services and facilities to enable the Seller's obligations under the Contract to be expeditiously and continuously carried out.  
c) Any dates given by the Seller for delivery or otherwise are given in good faith but shall not form part of the Contract and the Seller will not be liable for any loss, injury, damage or expense arising directly or indirectly from any delay however caused. Any times stated in the Contract for the performance by the Seller of its obligations shall not be of the essence.  
d) If the manufacture, delivery or supply of Goods or Services shall be delayed as a result of circumstances beyond the control of the Seller the obligations of the Seller shall be suspended for so long as such circumstances prevail. By way of illustration only and without limiting the generality of the foregoing such circumstances include civil commotion, strikes, lockout, industrial disputes, shortage of materials, fuel or labour, failure of plant or suppliers acts of competent authorities, fire and the elements whether affecting the Seller directly or any supplier to or hauler for the Seller.  
e) In the event that the Seller requires information from the Buyer at any time the obligations of the Seller shall be suspended until the Seller receives such information. If that information is delayed or withheld for more than three months the Seller may terminate the Contract by notice to the Buyer.  
f) In the event that the Buyer is unable or unwilling to accept delivery of Goods in whole or in part in accordance with the Contract on or at any time following the delivery date, the Seller will be entitled to arrange for or provide storage of the Goods concerned and to insure the same for its own benefit as it thinks appropriate at the Buyer's expense. In addition the Seller will be entitled to charge the Buyer for such storage of Goods at the rate of one-half percent of the Contract Price for each week or part thereof during which the Seller stores the Goods.  
g) Unless the Seller receives instructions to the contrary delivery will be made to the address of the Buyer as stated on the order and by whatever means the Seller may deem appropriate. The Seller reserves the right to override any instructions as to the mode of delivery received from the Buyer where it considers that delivery in accordance with such instructions is impracticable for any reason.  
h) The Buyer must examine the Goods before the signature of any consignment or delivery note and failure by the Buyer or his representative to express dissatisfaction with the Goods having given a clear unqualified signature for them will disentitle the Buyer to any claim for damage to Goods in transit.  
i) Unless otherwise stated all building and electrical work associated with the delivery or installation of the Goods is specifically excluded from the Contract Price.

### 3. PRICE

Prices quoted by the Seller are ex works (unless otherwise stated) and are based on costs of wages, materials and transport current at the date of the Quotation and are subject to increase (either before or after the Contract is made) without notice to take account of changes in the same. The Seller accordingly may adjust the invoice price of Goods in the event of any increase in the cost of wages, materials, transport and/or to take account of any other costs which may arise as a result of legislation or by reason of any other fact not applying at the time of the Quotation.

### 4. TITLE AND RISK

a) Property in the Goods shall remain with the Seller until payment in full of the Contract Price whether or not delivery has been made. The Buyer shall maintain for the benefit of the Seller insurance on the Goods to the full replacement value thereof from the time of delivery until the property in the Goods has passed.  
b) The risk in the Goods shall pass to the Buyer when the Goods have been delivered to the Buyer or his Agent. In no circumstances can the Seller accept any responsibility for loss or damage to the Goods during off-loading and subsequent handling and storage except by prior agreement in writing.  
c) In the event of any sale of the Goods by the Buyer prior to payment in full of the Contract Price the Buyer shall hold the proceeds of sale on trust for the Seller and such proceeds of sale shall be placed in a special account by the Buyer in such a way as to be identifiable as the property of the Seller.  
d) If the Buyer shall become bankrupt or shall compound with its creditors or shall have a receiver, liquidator or administrator appointed or shall have a resolution passed for winding up prior to property in any Goods passing, the Seller may immediately and without notice terminate the Contract without prejudice to any rights which may have accrued to the Seller prior to such termination.  
e) No order may be cancelled save where agreed in writing by the Seller and in any such case the Buyer shall pay to the Seller such amount as may be necessary to indemnify the Seller against all loss resulting from the said cancellation. No cancellation shall be effective unless and until such payment is made in full.

### 5. INSPECTION AND TESTING

a) It is a term of the Contract that it is the obligation of the Buyer to obtain all necessary governmental and other consents, approvals or licences other than those expressly required by U.K. legislation to be obtained by the Seller.  
b) It is the Buyer's responsibility to satisfy himself that the Goods supplied are suitable for his requirements and the Seller does not profess to have any skill or judgement in relation to the particular needs of the Buyer. For the purpose of satisfying himself the Buyer may by prior appointment inspect the Goods to be supplied by the Seller at the Seller's premises.  
c) The Buyer will pay to the Seller the costs of any inspection or test required by the Buyer but not provided for in the Contract.  
d) The Buyer will give at least 7 days' notice in writing to the Seller of the conduct of any tests to which the Goods are to be put otherwise than by the Seller or its Agents and a representative of the Seller shall be entitled to attend any such tests. Any tests to establish performance figures and related to the Contract in any way must be conducted within 14 days of the installation of the Goods or, where installation is not appropriate, of delivery.

### 6. TAXES

Unless otherwise agreed in writing the Contract Price does not include Value Added or any other Tax or levy on the supply or importation of the Goods or the rendering of the Services, which Taxes or levies will be charged extra.

### 7. PAYMENT

a) Subject to the late payment of Commercial Debt (Interest) Act 1998, we reserve the right to charge interest on invoices exceeding the credit period of 30 days.  
b) The Seller shall be entitled to submit interim invoices in respect of work done and materials ordered prior to completion of the Contract. All such invoices shall become due and be paid within 30 days of date of invoice.

c) Where the Payment of any sums due to the Seller under the Contract in any way relates to the delivery of materials, components or finished Goods by or to the Seller for incorporation in the Goods the certification of the Seller as to the extent, value and date of delivery of such items shall for the purposes of such payment be conclusive.  
d) In the event of any delay for which the Seller is not wholly or chiefly responsible in the occurrence of any event or the reaching of any stage which gives rise to or is a pre-condition of the payment of any sums due to the Seller under the Contract, then for the purposes of such payment that event or stage shall be deemed to have occurred or have been reached at the time when it would but for such delay have occurred or been reached.  
e) Payment from any overseas Buyer should be made on the basis of a Letter of Credit. Such overseas Buyer must instruct his Banker to issue an irrevocable Letter of Credit for the entire Contract Price to be confirmed by a Banker acceptable to the Seller. Such Letter of Credit should where applicable allow for part shipments and in all other respects be in a form satisfactory to the Seller. Work on Goods ordered will only commence when confirmation is received.

### 8. LIABILITY

a) The Seller does not exclude or restrict its liability for death or personal injury resulting from negligence as defined in Section 1 Unfair Contract Terms Act 1977.  
b) The Seller will indemnify the Buyer against liability for loss or damage to property other than the Goods directly resulting from any negligent act on the part of the Seller, its agents or sub-contractors while they are fulfilling the Seller's obligations under the Contract provided that the Seller's total liability in respect of any one negligent act shall be limited to £1,000,000.  
c) Except as above the Seller will not be liable for any loss or damage (including costs) howsoever caused whether direct or consequential incurred or suffered by the Buyer in relation to the supply or installation of the Goods or the rendering of the Services.

### 9. WARRANTIES

a) In the event of any Goods proving to the satisfaction of the Seller to be defective as a result solely of faulty design or workmanship by the Seller and provided that:  
i) The Goods have not been used otherwise than in the manner and for the purposes and in connection with equipment specified or approved by the Seller;  
ii) No repairs or alterations to the Goods have been made without the knowledge and consent of the Seller;  
iii) There has been no misuse or mistreatment of Goods by the Buyer or non-compliance with the Seller's instruction manual (which shall void all warranties and conditions affecting such Goods whether express or implied whether by statute or otherwise);  
iv) The Buyer has notified the Seller in writing of the defect within a period of twelve months from the date of delivery or deemed delivery and has, if so required and instructed, returned the Goods or defective part or parts to the Seller carriage paid or has made the Goods or part or parts sufficiently accessible for any necessary repair or replacement to be carried out on site; then at its option and expense the Seller will either remedy the defect or replace the Goods or the part or parts thereof concerned and where applicable promptly return them to the Buyer carriage paid.  
b) The judgement of the Seller on the question of whether a defect in the Goods relates to materials, workmanship or other causes shall be final and binding on the Buyer.  
c) Goods will not be accepted for return without written consent of the Seller and the fact that the Seller may take possession of any Goods returned by the Buyer shall not be construed as an admission that the Goods do not accord with the Contract and shall not impose any liability on the Seller as bailee of them. The Seller may charge the customer for storage of any Goods or materials returned.  
d) The liability of the Seller is strictly limited to the supply of replacement Goods or parts and the repair of defective Goods or parts as provided above and shall not extend to any other damage or loss suffered by the Buyer.  
e) Although the Seller will take all reasonable precautions to ensure that purchased materials, components and finished goods not of the Seller's manufacture are of good quality the Seller will only be liable to the Buyer for defects therein to the extent of the Seller's entitlement against the manufacturer or the supplier of the materials, components and finished goods.  
f) Except as above all conditions, warranties and representations whether expressed or implied, statutory or otherwise in relation to the Goods or the Services are hereby excluded provided that nothing contained in these conditions shall or shall be deemed to exclude or restrict any of the terms implied by Section 12 of the Sale of Goods Act 1979 or any right of the Buyer or liability of the Seller in respect thereof.  
g) In the event that at the request of the Buyer personnel or agents of the Seller visit the Buyer's premises to establish the existence of the cause of the defect the Seller will be entitled to charge the cost including the charge at the Seller's standard rate for the time being of the time spent by such personnel or agents incurred by the Seller in connection with such visits.

### 10. SPECIFICATIONS AND CONFIDENCE

a) All descriptions, specifications and particulars provided by the Seller have been given by way of identification thereof only and are not intended to provide more than a general indication of matters therein contained and shall neither form part of any contract or constitute a description upon which a Buyer should rely and excepting where the Contract has been made by relating to the Buyer's own detailed drawings and specifications, all drawings, descriptions, dimensions and other technical data are approximate only.  
b) The property and copyright in all drawings, specifications, photographs and other documented technical information will remain with the Seller and the Buyer may not use, reproduce or pass on such information other than in connection with internal assessment of the Quotation and the supply, installation, operating and maintenance of the Goods without the prior written consent of the Seller.  
c) The Seller reserves the right to make such changes in design, construction or arrangement of the Goods as will in the opinion of the Seller constitute an improvement, and to use alternative materials or components which in the opinion of the Seller are not inferior to those comprising the Goods as described in the Contract, unless these details are contained within the Buyer's own detailed specification.  
d) In the event that materials specified by the Buyer prove not to be obtainable by the Seller, the Seller shall be under no liability in respect thereof.

### 11. QUOTATIONS

a) Any Quotation is made on the understanding that the whole of the Goods quoted for will be ordered and supplied.  
b) Unless previously withdrawn the Quotation will remain open for the period stated therein or, where no period is stated for 60 days after its date.  
c) The Quotation constitutes an invitation to treat only and is made without engagement. A Contract shall only come into existence between the Seller and the Buyer when the Buyer's order has been accepted in writing by the Seller.  
d) All Quotations which include for the installation and/or commissioning testing of the Goods assume uninterrupted access to site by the Seller's personnel. Any extra visits to effect installation or undertake commissioning howsoever caused will form the basis for further charges by the Seller to the Buyer.

### 12. GENERAL

a) These conditions will apply to the Quotation and the Contract to the exclusion of any conditions of contract of the Buyer. In the event of any conflict between these Terms and Conditions of Sale and those of the Buyer, these conditions shall prevail unless otherwise agreed and confirmed in writing.  
b) No representation or statement made or purporting to be made by any person on behalf of the Seller shall be binding on the Seller, nor shall it be relied on by the Buyer unless confirmed in writing. Any technical advice furnished by the Seller or its representative or agent is given without charge and only on the basis that it is followed at the Buyer's own risk.  
c) These Terms and Conditions of Sale and any contract made thereunder shall be governed by English Law, and the Buyer (whether English or not) hereby submits to the jurisdiction of the Supreme Court of Judicature of England and Wales.  
d) The headings to these conditions are intended for convenience only and shall in no way affect the constructions thereof.