

EMM-Tek Ltd Terms and Conditions Issue 1 - April 2011

EMM-Tek LIMITED TERMS & CONDITIONS

All goods and services supplied by EMM-Tek Limited are sold subject to the following conditions:-

1-DEFINITIONS: In these Terms and Conditions 'the Company' means EMM-Tek Limited, (Company Number 7074491) and the "Purchaser" means any person or company who buys or has agreed to buy goods and "Goods" mean any goods or services supplied by the Company and "Conditions" mean the terms and conditions set out in this document. The singular shall be deemed to include the plural, person shall include the firm or company and vice versa.

2-APPLICABLE TERMS: Unless otherwise agreed in writing, any contract for the sale of goods shall be subject to these Terms and Conditions. Any oral or written terms offered or stipulated by the Purchaser shall, if inconsistent with these Terms and Conditions, be deemed rejected by the Company.

3-PRICES: The prices for the Goods are stated in the Company's quotation or if no quotation is given in the confirmation of order. The Company's prices are fixed for a period as stated in the quotation/order acknowledgement. Thereafter the Company reserves the right to vary prices without notice.

4-QUOTATIONS AND INVOICES: The right is reserved to amend any errors and / or omissions on quotations, invoices or any other documents of the Company. The quantity, quality and description of the Goods shall be those set out in the Company's quotation or order confirmation.

5-PACKING, CARRIAGE & INSURANCE: Packaging, carriage and insurance to designated premises, and on default or designation to any trading address, of the Purchaser shall be paid by the Purchaser and shall be charged at the Company's rates current at the time of despatch.

6-INVOICING AND PAYMENT: The Company shall invoice the Customer upon despatch of the Goods from their premises or from the premises of its suppliers and payment of the full invoice sum will be due within 30 days of the date of the Company's invoice and the time for payment shall be of the essence of the contract.

Unless specified in the quotation, the price payable in respect of any delivery of the goods by instalment shall be such proportion of the total price under the Contract as the Company may reasonably decide.

The Company reserves the right to require payment of the full price of the goods prior to delivery to the Purchaser. The Company shall give written notice of the exercise of this right to the Purchaser.

"If the Purchaser fails to make any payment when due then, without prejudice to any other right or remedy available to the Company, the Company shall be entitled to:-

- terminate the contract and/or suspend any other further deliveries to the Purchaser, and/or
- apply any 'on account' payments to whatever part of the debt the Supplier deems appropriate; and/or
- charge the Purchaser compounded interest (both before and after any judgement) at the rate of 1 % per month (apportioned by the day) from the due date until payment is received in full."

7-DELIVERY: The Goods shall be delivered to the address stated on the Purchaser's purchase order or if no address is so stated then to any trading address of the Purchaser. Any delivery dates quoted are estimated only and time shall not be the essence of the contract with regard to such estimated dates. The Company will accept no liability for failure to supply or to deliver within the period quoted. The Company shall be entitled to make partial deliveries by instalments and these terms and conditions shall apply to each such delivery. Risk in the goods shall pass to the Purchaser upon delivery to the address. The Purchaser is advised to insure accordingly.

8-TITLE: Title to and ownership of the Goods shall not pass to the Purchaser until the date that the purchase price for the Goods and all sums payable to the Company under any other agreement with the Purchaser or any other delivery or instalment has been paid. (The "Payment Date").

8.1- Until the Payment Date, the Purchaser shall not be entitled to sell, transfer, lease, charge, assign by way of security or otherwise deal in or encumber the Goods and the relationship between the Company and the Purchaser in respect of the Goods, including any proceeds of sale or other consideration therefore shall be a fiduciary one.

8.2- If either: The Purchaser fails to affect payment in full of all sums due hereunder by the due date, or prior to the said due date the Purchaser convenes a meeting of its creditors, or a proposal is made for a voluntary arrangement within part 1 of the Insolvency Act 1986 or a proposal for any other composition scheme of arrangement with or assignment for the benefit of the Purchaser's creditors or if the Purchaser is unable to pay its debts within that meaning of Section 123 of the Insolvency Act 1986 or a trustee receiver, administrative receiver or similar office is appointed in respect of all or any part of the business or assets of the Purchaser or if a Meeting is convened for the purpose of winding up the Purchaser or for making of an administration order (other than for the purpose of amalgamation or reconstruction) or ceases to or threatens to cease to trade or dies; the Company (without prejudice to any other legal remedies it may have) shall at any time thereafter be entitled to enter upon any premises owned or occupied by the Purchaser or if any premises upon which it is reasonably believed that the Goods are being stored or kept (without notice to the Purchaser) and remove the goods.

8.3- If in breach of clause 8. above, the Purchaser sells the Goods or any part of them prior to the Payment Date, then any proceed or sale in respect thereof and all right arising under in respect of the said sale shall be held (in the case of the proceed of sale, in a separate account) by the Purchaser as trustee for the Company. The Purchaser hereby agrees, immediately on the receipt of a request from the Company, to assign to the Company all rights and claims which the Purchaser may have against any third party arising from such sale or transfer.

8.4- The Company shall be entitled to exercise a right of lieu or sale over any property of the Purchaser in its possession, without prejudice to any other remedies available to the Company.

9-RETURNS: Goods supplied may not be returned for credit without written consent of the Company and any Goods which are returned without such consent will be refused.

10-CANCELLATION/VARIATION OF PURCHASE ORDER: Any order placed by the Purchaser shall not be varied or cancelled without prior written consent of the Company. The granting of consent shall be entirely at the discretion of the Company and shall always be subject to the payment by the Purchaser to the Company of a sum equivalent to the

losses, including loss of profit, cost and expenses of the Company caused by the variation or cancellation (such sum being reasonably determined by the Company).

11-DAMAGED IN TRANSIT: The Company shall not be liable for faulty or damaged Goods unless such fault or damage can be shown by the Purchaser to have arisen prior to despatch (a "Pre-Despatch Defect").

11.1- Any claim by the Purchaser which is based on a Pre-Despatch Defect shall be notified to the Company within 14 days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable time after the discovery of the defect or failure. Following notification the Company may, at its sole discretion, repair, replace, or issue a credit note in respect of defective Goods. The Purchaser must retain the Goods with the original packing for inspection and return them, carriage paid and at the risk of the Purchaser to the Company.

12-NOTIFICATION OF SHORTAGE: The Company shall accept no liability for shortage of goods on delivery unless written notification shall have been received by the Company from the Purchaser within 7 days of the date of despatch of the goods to the Purchaser.

13-CONSEQUENTIAL LOSS: Any warranty or condition expressed or implied statutory or otherwise (including conformity with description sample, fitness for purpose or quality) are hereby expressly excluded and the Company shall be under no liability whatsoever for consequential loss or damage of any description in respect of goods sold, repaired, converted and for services rendered.

14-EMPLOYERS LIABILITY: Where employees of the Company are to be employed on the Purchaser's premises, the Purchaser will indemnify the Company against any liability in respect of or claim by such employees.

15-CUSTOMER LIABILITY: The Company shall not be liable for any loss or damage whatsoever caused directly or indirectly by the Purchaser's failure to perform any of the Purchaser's obligations under any contract or order relating to any Goods or any other matter wholly or partly within the Purchaser's control.

15.1- The Company's total liability in contract, delict (including negligence or breach of statutory duty) mis-representation or otherwise, arising in connection with the performance or contemplated performance of this Contract shall be limited to the amount of the price which the Purchaser has paid to the Company for the Goods in question; and

15.2- The Company shall not be liable to the Purchaser for any indirect or consequential loss or damage (whether for loss of profit, loss of business, depletion of goodwill or otherwise), costs, expenses or other claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the Contract.

16-END USE:

16.1- Determination of the suitability of the Products described in the quotation for the use contemplated by Purchaser or Purchaser's customers is the sole responsibility of Purchaser or Purchaser's customers, whichever the case may be and EMM-Tek Ltd shall have no responsibility in connection therewith. Purchaser assumes all risk and liability for loss, damage, or injury to property of Purchaser or others, and injury to third persons or personnel of Purchaser arising out of the use or possession of the Products furnished hereunder and hereby agrees to indemnify EMM-Tek Ltd in respect of any claim made by any third party in respect thereof.

16.2- Purchaser shall use the Product acquired from Emm-Tek Ltd for civil (non-military) purposes only or shall re-sell, re-transfer or re-export the Product only to customers or users who will use them for civil (non-military) purposes except where agreed in writing with EMM-Tek Ltd.

16.3- Purchaser shall not, directly or in-directly, re-sell, re-transfer or re-export the Product to customers or users engaged in the development or manufacture of weapons of mass-destruction such as nuclear, biological or chemical weapons and missiles except where agreed in writing with EMM-Tek Ltd.

16.4- Purchaser shall not use the items for the development of manufacture of weapons of mass-destruction such as nuclear, biological or chemical weapons and missiles except where agreed in writing with EMM-Tek Ltd.

16.5- Purchaser shall protect, defend, hold harmless and indemnify EMM-Tek Ltd from and against any liability, claims, damages or penalties arising from Purchaser's failure to comply with its obligations set forth above.

17-ASSIGNMENT: No contract with the Company shall be assignable by the Purchaser without the prior written consent of the Company.

18-EXPENSES: Without prejudice to any other remedy available the Company shall be entitled to recover from the Purchaser any cost or expenses (including solicitors fees and disbursements) incurred in recovering monies in respect of the goods or any other monies due under the Terms and Conditions hereof.

19-EXPORT: All orders for export shall be delivered ex works by the Company. Terms on export orders shall be subject to individual negotiation with the Purchaser.

20-WARRANTIES: All goods supplied by the Company shall be subject to the EMM-Tek Ltd standard period of warranty. The Company shall be under no liability under the above warranty if the total price for the Goods has not been paid for by the due date for payment.

21-FORCE MAJEURE: The Company accepts no liability for delay in delivery or failure to deliver Goods arising out of any cause whatsoever beyond its reasonable control or the control of its suppliers.

22-GOVERNING LAW: All contracts made between the Company and the Purchaser shall be constructed in accordance with and governed in all respects by English Law and the Purchaser agrees to submit to the exclusive jurisdiction of English courts.

23-LIMITATIONS: Goods sold by the Company may not be used in equipment and or products for use in any life support system, nuclear installations or aircraft without prior written consent of the Company.

24-HEADINGS: The headings of these terms and conditions are of convenience only and shall have no effect in the interpretation thereof.

NOTHING IN THESE TERMS AND CONDITIONS SHALL AFFECT THE STATUTORY RIGHTS OF THE PURCHASER.