



**TERMS AND
CONDITIONS OF SALES
EXPORT SALES**

MICROGEN
BIOPRODUCTS

Valid August, 2006

MICROGEN BIOPRODUCTS CONDITIONS OF SALE - EXPORT CUSTOMERS

1. GENERAL

- a) These conditions of sale shall govern the supply of products ('Products') by Microgen Bioproducts Limited, 1 Admiralty Way, Camberley, Surrey, GU15 3DT, UK ('Microgen'). Neither the customer's conditions of purchase nor any terms or conditions in order form or other document issued by the customer shall apply to the sale of the Products.

2. PRICE AND PAYMENT

- a) The price of the Products shall be in accordance with Microgen's relevant current price list ruling on the day the Products are despatched from Microgen's depot together with any applicable Value Added Tax. Microgen's list price may be subject to alteration at any time.
- b) The customer shall purchase the Products and Microgen shall sell the Products on an Ex-Works basis (INCOTERMS 2000); the customer shall specify its routing instructions on its purchase order or Customer Profile Form as provided to the customer by Microgen.
- c) Where the customer does not specify any routing instructions, Microgen shall select appropriate routing for the consignment at the customer's risk and expense. Microgen shall use reasonable endeavours to select the most cost effective and appropriate route for the customer and the Products concerned, taking into account the following factors - airline freight rates, estimated importing agent's costs and local delivery, door to door courier costs, nature of the products and any special shipping requirements and the handling and administration charges described herein. Microgen does not warrant that its choice will always provide the lowest net cost or the accuracy of its cost calculations.
- d) When Microgen arranges shipments on behalf of the Customer acting as his agent, it will be assumed that insurance cover for the shipment has either been pre-arranged or is not required by the Customer unless specific instructions are otherwise received.
- e) Any costs associated with document legalisation requested by the customer and incurred by Microgen shall be added to the customer's invoice.
- f) A handling and administration fee shall be added to all invoices where the Products are shipped Airfreight via Freight Handling agents. This fee shall be waived when Door to Door Courier services are used (e.g. DHL or FedEx). This fee may be subject to change.
- g) A small order charge equivalent to GBP55.00 will be levied on orders of less than GBP 650.00 (or equivalent) for deliveries overseas.
- h) If Microgen selects on behalf of the customer a door to door Courier service as the most cost effective route, the courier charges shall be added to the Customer's invoice unless Microgen is advised of direct billing details.
- i) Sums unpaid after the due date shall bear interest at the daily rate of 8% per annum over the base lending rate of Barclays Bank plc, London, UK in force from time to time.
- j) Without prejudice to any other rights and remedies of Microgen, any default by the customer in making payment of the full amount becoming payable on the due date shall entitle Microgen to suspend deliveries under this or any other contract so long as the default continues.
- k) No payments may be withheld by the customer for any reasons nor may any counter claim of the customer be set off against any payment due under the contract without the written consent of Microgen.
- l) Payment shall be made according to the currency of the invoice unless otherwise agreed in writing.
- m) Time for payment is of the essence.
- n) Payment shall be due within 30 days of invoice date where Microgen has approved a credit account. Any variation to credit terms must be agreed with Microgen in writing. Where no credit terms have been established, all payments will be in advance or via VISA or MasterCard.

3. DELIVERY

- a) Delivery terms are as described above.
- b) Microgen shall use its reasonable endeavours to deliver the exact quantity of Products ordered by the customer but shall be entitled to deliver by instalments.
- c) In the event that Microgen is unable to deliver the exact quantity of Products ordered by the customer, Microgen will contact the customer with a projected availability date for the whole order. The customer shall make the choice of accepting part delivery or waiting for the whole order to be completed. If part delivery is accepted by the customer then the balance of the order will be delivered when available on the same terms as described herein.
- d) The customer shall not be entitled to reject the Products by reason only of short delivery.
- e) In the case of Products being supplied for export ex-works, delivery will be when the Products are loaded onto the collection vehicle.

4. EXAMINATION AND CLAIMS

- a) The customer shall, upon delivery, examine the Products and shall promptly (but in any event within 48 hours of delivery) notify Microgen, and the carrier where relevant, of any apparent damage, defect or shortage.
- b) The customer shall notify Microgen if the Products are not delivered within 7 days of the estimated time of delivery as notified by Microgen.

5. CANCELLATION

- a) No credit notes will be issued for incorrectly ordered products.
- b) Orders may not be cancelled without the prior written agreement of Microgen

6. INSURANCE

- a) Microgen does not warrant that the level of insurance offered by carriers will provide the level of cover required by the customer. It is the customer's responsibility to arrange suitable transit policies.

7. COMPLAINTS, RETURNS AND PRODUCT REPLACEMENTS

- a) Microgen shall investigate all reported incidents of Products failing to comply with claimed performance specifications, and will apply any necessary corrective and preventive actions it considers appropriate. Sometimes this will involve returning product to Microgen for investigation. All product returns must be agreed with Microgen in advance. At Microgen's discretion, replacement Product may be sent to the customer whilst an investigation is underway. Microgen reserves the right, however, to invoice the customer for any replacement goods sent, together with any associated shipping costs in the event that the complaint investigation fails to demonstrate a Product defect.

8. SAMPLES

- a) From time to time Microgen may offer sample Product for evaluation or promotional purposes at discounted prices.
- b) In order to reduce the cost of such samples to the customer, Microgen will consolidate samples with routine orders for Products, unless specifically requested by the customer to do otherwise, in which case the additional shipping costs for such samples will be for the customer's account.

9. SHELF LIFE

- a) Microgen's policy on shelf life is to rotate stock so that the shortest shelf life is picked to fill orders before the longest. Other than the two exceptions described below, no Microgen labelled product will be shipped with less than 6 months shelf life remaining at the date of despatch without the prior approval of the customer. No third party product will be shipped with less than 5 months shelf life remaining at the date of despatch without the prior approval of the customer. For S-Test kits and IM kits the minimum shelf life is 4 months remaining at the date of despatch without the prior approval of the customer.
- b) Microgen will not enter into negotiation on the shelf life of any Product.

10. WARRANTY

- a) Microgen warrants that the Products are of merchantable quality and reasonably fit for their purpose at the time of delivery.
- b) No other warrants, guarantees or conditions expressed or implied (by common law, statute or otherwise) as to quality or fitness for any purpose shall apply to the sale of the Products by Microgen.
- c) Microgen's sole liability under the warranty shall be to replace defective Products.
- d) Microgen shall not be liable for any consequential or indirect loss arising from its sale of the Products to the customer.
- e) Where instruments are offered for sale by Microgen a one year warranty on parts and labour is provided. No other warranty or servicing arrangement is offered by Microgen and the Customer will need to make such arrangements for themselves.

11. PROPERTY AND RISK

- a) Legal title of the goods shall remain with Microgen until such time as Microgen has received payment of the purchase price of the goods and the purchase price of any other goods or services previously or subsequently supplied by Microgen to the customer, whereupon such title shall pass to the customer. The customer gives Microgen licence to enter his premises in order to remove goods which are the subject of this retention of title clause.
- b) Risk in the product shall pass to the customer on delivery, as described above.

12. VARIATION OF TERMS

- a) No variation in these Terms and Conditions of Sale may take effect without the prior written consent of Microgen.