

MAWDSLEY BROOKS AND COMPANY LIMITED

STANDARD TERMS AND CONDITIONS OF SALE

Interpretation

In these conditions:

'Buyer' means the person who is detailed on the invoice.

'Goods' means the goods and services (including any instalment of the goods and services or any parts for them) which the seller is to supply in accordance with these Conditions.

'Seller' means Mawdsley Brooks and Company Limited registered in England under number 44701.

'Conditions' means the standard terms and conditions of sale set out in this document and (unless the context requires) included any special terms and conditions agreed in writing between the Buyer and the Seller.

'Contract' means the contract for the purchase and sale of the Goods.

The headings in these Conditions are for convenience only and shall not affect their interpretation.

Basis of Sale

The Seller agrees to sell and the Buyer agrees to buy the Goods as detailed in the Buyer's order and confirmed on the Seller's invoice subject to these Conditions which Conditions shall govern the Contract and all other contracts between the buyer and the seller to the exclusion of any other terms and conditions and no variations thereto shall be acceptable unless agreed by a Director of the Seller in writing.

Any contract for the sale of Goods shall comprise of the Buyer's order whether received by post, facsimile, computer or verbally, and the Seller's invoice.

Signature of the journey sheet or other receipt in respect of the Goods by the buyer or on behalf of the Buyer shall be deemed to be an acceptance of these conditions and any person signing on behalf of the Buyer shall be deemed to be the authorised agent for the Buyer for this purpose.

The Seller's employees or agents are not authorised to make any representation concerning the Goods unless confirmed by the Seller in writing. In entering into the Contract the Buyer acknowledges that it does not rely on, waives any claim for breach of, any such representations which are not so confirmed.

Any advice or recommendation given by the Seller or its employees or agents to the Buyer or its employees or agents as to storage, application or use of the Goods which is not confirmed in writing by the Seller is followed or acted upon entirely at the Buyer's own risk and accordingly the Seller shall not be liable for any such advice or recommendation which is not so confirmed.

Any typographical, clerical or other error or omission in any sales literature, quotation, price list acceptance of offer, invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller.

The Buyer agrees to the Seller supplying information about the sale and the Seller to SDA Pharmaceuticals Limited or its successors and other suppliers unless the Buyer gives notice in writing of withholding permission before placing the order.

Orders and Specifications

No order submitted by the buyer shall be deemed to be accepted by the Seller unless and until the Seller supplies the Goods to the Buyer.

The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the Seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms. The quality, quantity and description of and any specification for the Goods shall be those set out in the Seller's quotation (if accepted by the Buyer) or the Buyer's order (if accepted by the Seller). By placing the order the Buyer confirms he holds the relevant licences and permits necessary to purchase the Goods.

No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labour and materials), damages, charges and expenses incurred by the Seller as a result of cancellation.

Price of the Goods

The price of the Goods shall be the Seller's quoted price or, where no price has been quoted or a quoted price is no longer valid, the Seller's list price current at the date of acceptance of the order. The price is exclusive of any applicable value added tax, which the Buyer shall be additionally liable to pay to the Seller.

The Seller reserves the right without notice to increase the price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulations, alteration of duties or taxes, increased costs or shortage of supply), any changes in delivery dates, quantities or specifications for the Goods which is requested by the Buyer or failure of the Buyer to give the Seller adequate information or instructions.

Any queries on the Seller's invoices must be made by the Buyer in writing to the address stated by the Seller on the face of its invoice. The Seller will only consider such queries that are received by it before the end of the month following the month of the relevant invoice.

Delivery

The Seller or its agents shall make delivery of the Goods to the Buyer at the premises detailed in the Seller's invoice.

The Buyer or its agents or employees shall inspect the Goods immediately upon delivery and shall within three working days of such delivery give notice of any matter or thing by reason whereof the Buyer alleges that the Goods are not in accordance with the Contract whether as to quantity, quality or otherwise. If no such notice is served by the Buyer upon the Seller, the Goods shall be deemed to be in accordance with the Contract in all respects and the Buyer shall have been deemed to have accepted them.

Goods are not supplied on a sale or return basis. Goods correctly supplied against an order may only be returned for credit with the prior written agreement of the Seller (which the Seller may give or refuse at its absolute discretion). Goods returned for this or any other reason must be in a clean and reasonable condition have been kept in the appropriate storage conditions and the applicable invoice number quoted. Goods not supplied directly by us may not be returned for credit unless subject to a recall.

The Seller has no liability, whether direct or consequential to anyone for failure to deliver the Goods to the Buyer.

Quality

The Seller agrees to replace without charge to the Buyer or credit the charge for any Goods which do not conform at the time of delivery thereof to the conditions and warranties of the Sale of Goods Act 1979 as amended by any statutory modification or re-enactment thereof provided that in the case of damage or defect which is apparent on reasonable examination of the Goods the Buyer has given notice as set out above.

If the Buyer has served notice on the Seller and has demonstrated to the Seller's reasonable satisfaction that the Goods were not delivered in the quality specified in the Contract, the Seller shall at their option either replace the defective Goods with Goods complying with the Contract at the place for delivery specified in the Contract, or refund to the Buyer the price for the defective Goods.

Save as aforesaid and save in respect of any negligence on the part of the Seller causing death or personal injury the Seller shall have no liability to the Buyer or to any third party in respect of the Goods for any loss, liability, injury or damage, howsoever arising, whether direct, indirect or consequential except death or personal injury of the Buyer resulting from a negligent act of the Seller.

In the event of any product recall the Buyer agrees to co-operate fully with the Seller in taking all necessary steps to remove the relevant Goods from the marketplace.

Risk and Property

Risk of damage or loss of the Goods shall pass to the Buyer at the time of delivery and the Buyer must insure them against loss or damage accordingly.

Notwithstanding delivery and the passing of risk in the Goods or any other provision of these conditions, the property in the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the Goods and all other Goods agreed to be sold by the Seller to the Buyer for which payment is then due.

Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods as the Seller's fiduciary agent and bailee and the Buyer hereby acknowledges that there shall accordingly subsist a fiduciary relationship in respect of the Goods between the Buyer and the Seller and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property. Until that time the Buyer shall be entitled to recall or use the Goods in the ordinary course of its business subject to the express condition that the Buyer shall account to the seller for the entire proceeds of sale or otherwise of the Goods, whether tangible or intangible, including insurance proceeds and shall hold all such proceeds on trust for the Seller separate from any monies or property of the Buyer and third parties and in the case of tangible proceeds, properly stored, protected and insured. The Buyer shall keep records to be produced to the Seller whenever required, of the name and address of any such sub-purchaser and the date and contract price of each delivery and shall, if the Seller so requires, in writing assign any such claims as the Buyer has against such sub-purchaser as emanates from this transaction.

Until such time as the property in the Goods passes to the Buyer (and provided the Goods are still in existence and have not been resold) the Seller shall be entitled at any time to require the Buyer to deliver up the Goods to the Seller and if the Buyer fails to do so forthwith, to enter any premises of the Buyer or of any third party where the Goods are stored and repossess the Goods.

The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller, but if the Buyer does so all monies owing by the Buyer to the Seller shall (without prejudice to any other right or remedy of the Seller) forthwith become due and payable.

It is declared for the avoidance of doubt without prejudice to the generality of the foregoing that the Seller may recover the Goods and payment shall become due if:

the Buyer does, or fails to do, anything which would entitle an administrator or an administrative receiver to take possession of any of its assets and which would entitle any person to present a petition to wind up the Buyer and /or

the Buyer passes any resolution to wind itself up or publishes a notice convening a meeting of its creditors pursuant to section 28 of the Insolvency Act 1986 or any statutory modification or replacement thereof and/or

the Buyer, if an individual has a bankruptcy order made against it or enters into any agreement for the benefit of its creditors generally.

Each of the preceding clauses and sub-paragraphs shall be construed and shall take effect separately and in the event of one or more such clauses or sub-paragraphs being held ineffective, this shall not affect the validity of the remaining clauses or sub-paragraphs.

Payment

Unless otherwise agreed in writing by a Director of the Seller, all invoices become due for payment on the last banking day of the month following date of invoice. Payment is to be made on or before the due date. Time for payment shall be of the essence. In the event that the Buyer sells their business, ceases to trade with the Seller or substantially reduces their purchases then unless otherwise agreed in writing by a Director of the Seller all outstanding amounts become due immediately. Without prejudice to any other right or remedy available if payment is more than ten days overdue all other sums owing by the Buyer to the Seller become due immediately.

If the Buyer fails to make any payment on or before the due date then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to:

reduce or cancel any settlement or other discounts owing to the Buyer;

cancel the Contract or suspend any further deliveries to the Buyer;

appropriate any payment made by the Buyer to such of the Goods as the Seller may think fit (notwithstanding any purported appropriating by the Buyer);

charge the Buyer interest (both before and after any judgement) on the amount unpaid at the rate of four per cent (4%) above Royal Bank of Scotland base rate from time to time until payment is made, interest being calculated on a daily basis of 1/365 of the annual interest rate;

charge the Buyer all costs reasonably incurred in the collection of any overdue amount including collection, agency and legal fees.

Insolvency of the Buyer

This clause applies if:

the Buyer makes a voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or

an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Buyer; or

the Buyer ceases, or threatens to cease to carry on business; or

the Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.

If this clause applies then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

General

Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to the 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.

No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.

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 thereby.

The Contract shall be governed by the laws of England and is subject to the jurisdiction of the English Courts.