STANDARD TERMS AND CONDITIONS OF SALE

1. INTERPRETATION AND DEFINITIONS

Business Day: a day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Conditions: these terms and conditions of sale as amended from time to time.

Control: has the meaning given in section 1124 of the Corporation Tax Act 2010, and the expression change of control shall be construed accordingly.

Customer: the person or business who purchases the Goods from Paragraf.

Data Protection Legislation: all applicable UK data protection and privacy legislation relating to personal data and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications).

Delivery Location: the location set out in the Order Acknowledgement, or such other location that the parties may agree in writing in advance of dispatch.

Force Majeure Event: has the meaning given to it in clause 16.

GHS Array Starter Kit: a specific type of Goods, supplied for evaluation purposes only, set out in the Order Acknowledgement.

GHS09CC: a specific type of Goods, supplied as engineering samples for non-commercial purposes only, set out in the Order Acknowledgement.

Goods: the goods (or any part of them) set out in the Order Acknowledgement, including but not limited to GHS Array Starter Kit and GHS09CC.

Intellectual Property Rights: patents, utility models, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Order: the Customer’s order for the supply of Goods, as set out in the Customer’s written acceptance of Paragraf’s quotation.

Order Acknowledgement: the written acceptance by Paragraf of the Order (either in whole or in part).

Price: has the meaning detailed in clause 8.1

Paragraf: Paragraf Limited, registered in England and Wales under company number 09889431, with its registered address at 7-8 West Newlands, Somersham, Cambridgeshire, England, PE28 3EB.

1.1 A reference to: (a) a statute or statutory provision is a reference to it as amended or re-enacted; (b) a reference to a statute or statutory provision includes all subordinate legislation made under that statute or statutory provision; (b) a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality); (c) a party includes its personal representatives, successors and permitted assigns; and (d) writing or written includes email.

1.2 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, definition, phrase or term preceding those terms.

2. BASIS OF CONTRACT

2.1 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing.

2.2 The Order constitutes an offer by the Customer to purchase Goods in accordance with these Conditions.

2.3 The Order shall only be deemed to be accepted when Paragraf issues an Order Acknowledgement, at which point, a contract between Paragraf and the Customer for the supply of Goods shall come into existence (the Commencement Date), subject to the terms of the Order Acknowledgement and these Conditions (Contract).

2.4 Any samples, drawings, descriptive matter or advertising issued by Paragraf and any descriptions of the Goods contained in Paragraf’s catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Goods described in them. They shall not form part of the Contract or have any contractual force.

2.5 Any technical data (including datasheets), advice, user manuals, safety information or other resources made available by Paragraf in respect to the Goods (“Technical Data”) are provided for general guidance only and “as is”. It is the Customer’s responsibility to select the appropriate Goods for its needs and meeting any applicable standards and safety requirements in its use of them. Customer agrees that the provision of Technical Data does not expand or otherwise alter Paragraf’s warranties as set forth herein and no additional obligations or liabilities arise from Paragraf providing such Technical Data.

3. GOODS

The Customer shall give Paragraf all necessary information that Paragraf reasonably requires in order to fulfil the Order.

Paragraf reserves the right to amend the Goods if required by any applicable statutory or regulatory requirement, and Paragraf shall notify the Customer in any such event.

Paragraf reserves the right to discontinue manufacturing and sale of any Goods at any time, without liability. Paragraf shall where possible give Customer prior written notice of such discontinuance and shall use reasonable commercial efforts to accept last-time-buy orders for such discontinued goods.

To the extent that the Goods are to be manufactured in accordance with a specification supplied by the Customer, the Customer shall indemnify Paragraf against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by Paragraf in connection with any claim made against Paragraf for actual or alleged infringement of a third party’s Intellectual Property Rights arising out of or in connection with Paragraf’s use of the Customer’s specification. This clause shall survive termination of the Contract.

DELIVERY OF GOODS

Paragraf shall ensure that each delivery of the Goods is accompanied by a delivery note which shows the type and quantity of the Goods.

Paragraf shall deliver the Goods to the Delivery Location at any time after Paragraf notifies the Customer that the Goods are ready. Any dates stated for delivery of the Goods are approximate only, and the time of delivery is not of the essence.

If Paragraf fails to deliver the Goods, its liability shall be limited to the price of the specific Goods which have not been delivered, as detailed in the Order Acknowledgement. Paragraf shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event or the Customer’s failure to provide Paragraf with adequate delivery instructions for the Goods or any relevant instruction related to the supply of the Goods.

Unless otherwise notified by the Customer that delivery has not been made, delivery of the Goods shall be deemed to have been completed at 9.00 am on the third Business Day following the day on which Paragraf notified the Customer that the Goods have been delivered.

The Customer may reject Goods delivered to it, provided that notice of rejection is given to Paragraf in the case of: (i) a defect in the Goods which is apparent on normal visual inspection, within 3 Business Days of delivery; (ii) the Goods’ failure to comply with clause 5.1, during the Warranty Period; and, provided that none of the events listed in Clause 5.3 apply. If the Customer fails to give notice of rejection in accordance with Clause 4.5(i), it shall be deemed to have accepted the Goods. If thirty Business Days after the day on which Paragraf notified the Customer that the Goods were ready for delivery the Customer has not accepted delivery of them, Paragraf may resell or otherwise dispose of part or all of the Goods. Paragraf may deliver the Goods by instalments, which shall be invoiced and paid for separately as detailed in the Order Acknowledgement. Each instalment shall constitute a separate Contract. Any delay in delivery or
defect in an instalment shall not entitle the Customer to cancel any other instalment.

4.8 Paragraf may elect to provide the Customer with limited product support by telephone or by email during business hours on Business Days for a limited period of time after delivery of the Goods. The extent and availability of such support shall be at Paragraf’s sole discretion.

5. QUALITY OF GOODS

5.1 Paragraf warrants that the Goods (excluding GHS Array Starter Kits which are supplied “as is”, subject to 12.7) shall be materially free from defects in workmanship for a period of twelve (12) months from the date of delivery (Warranty Period).

5.2 Subject to clause 5.3, if: (a) the Customer gives notice in writing during the Warranty Period, within a reasonable time of discovery that some or all of the Goods do not comply with the warranty set out in clause 5.1; and (b) Paragraf is given a reasonable opportunity of examining such Goods; and (c) the Customer (if asked to do so by Paragraf) returns such Goods to Paragraf’s place of business at Paragraf’s cost, Paragraf shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full.

5.3 Paragraf shall not be liable for the Goods’ failure to comply with the warranty in clause 5.1 if: (a) the Customer makes any further use of such Goods after giving a notice in accordance with clause 5.2; (b) the defect arises because the Customer failed to follow Paragraf’s oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice; (c) the defect arises as a result of Paragraf following any drawing, design or specification provided or approved by the Customer; (d) the Customer alters or repairs such Goods without the written consent of Paragraf; or (e) the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions.

5.4 Except as provided in this clause 5, Paragraf shall have no liability to the Customer in respect of the Goods’ failure to comply with the warranty set out in clause 5.1.

5.5 These Conditions shall apply to any repaired or replacement Goods supplied by Paragraf, however the Warranty Period shall not be extended on any repaired or replacement Goods.

6. TITLE AND RISK

6.1 The risk in the Goods shall pass to the Customer on completion of delivery in accordance with clause 4.4.

6.2 Title to the Goods shall not pass to the Customer until Paragraf receives full payment for the Goods in respect of which payment has become due.

6.3 Until title to the Goods has passed to the Customer, the Customer shall: (a) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as Paragraf’s property; (b) not remove, deface or obscure any identifying mark or packaging on or relating to the Goods; (c) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price on Paragraf’s behalf from the date of delivery; (d) notify Paragraf immediately if it becomes subject to any of the events listed in clause 13.1(a) to clause 13.1(d); and (e) give Paragraf such information relating to the Goods or any other information as Paragraf may reasonably require from time to time.

6.4 Before title to the Goods passes to the Customer, without limiting any other right or remedy Paragraf may have, Paragraf may at any time: (a) require the Customer to deliver up all the Goods in its possession; or (b) if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

7. CUSTOMER’S OBLIGATIONS

7.1 The Customer shall: (a) ensure that the terms of the Order Acknowledgement are complete and accurate and that the Goods are appropriate for the Customer’s use; (b) provide Paragraf with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods; (c) comply with all applicable laws, including health and safety laws relevant to the use of the Goods; (d) comply with any additional obligations as set out in the Order Acknowledgement; (e) not resell the Goods without the express written permission of Paragraf (which may be subject to any such conditions which Paragraf deems appropriate); and (f) ensure that where the Goods (to the extent the Goods do not comprise GHS Array Starter Kits and GHS09CC) are incorporated into any goods or services it provides to its own customers, that it includes appropriate contractual terms with any end users to protect Paragraf’s Intellectual Property Rights in the Goods.

7.2 Customer understands and acknowledges that GHS Array Starter Kits are provided exclusively for internal evaluation purposes only and warrants that they will not be used for any other purpose, commercial or otherwise. GHS Array Starter Kits are intended for use by skilled engineers designing with Paragraf Hall-effect sensors. Customer shall not incorporate alternative or any third party sensors into GHS Array Starter Kits. Customer shall not incorporate GHS Array Starter Kits into any product or service that it provides to any third party or otherwise make GHS Array Starter Kits available to any third party.

7.3 All Intellectual Property Rights in or arising out of or in connection with the Goods shall vest in Paragraf.

8. CHARGES AND PAYMENT

8.1 The price (Price) for the Goods shall be the price set out in the Order Acknowledgement.

8.2 Paragraf may, by giving notice to the Customer at any time before delivery, increase the price of the Goods to reflect any increase in the cost of the Goods that is due to: (a) any factor beyond Paragraf’s control (including foreign exchange fluctuations, delivery charges, increases in taxes and duties, and increases in labour, materials and other manufacturing costs); (b) any request by the Customer to change the delivery date(s); quantities or types of Goods ordered, or their specifications; or, (c) any factor caused by any instructions of the Customer or failure of the Customer to give Paragraf adequate or accurate information or instructions

8.3 Unless stated otherwise in the Order Acknowledgement, all packaging, carriage, export, loading, unloading and insurance costs shall be invoiced to the Customer. Import customs duties and taxes shall be the sole responsibility of the Customer.

8.4 Unless otherwise stated in the Order Acknowledgement, Paragraf shall invoice the Customer on or around the date the Goods are dispatched for shipment.

8.5 The Customer shall pay each invoice within 30 calendar days of the date of invoice. For the avoidance of doubt, where the Order Acknowledgement stipulates that the Customer is required to pay for the Goods in advance of shipment, Paragraf shall not deliver the Goods until the payment has been made. Payment terms in respect of Goods delivered ex-works (ex works) shall be paid for within 30 days of receipt of invoice. All payments under the Contract shall be made by electronic transfer or bank transfer, the Customer shall, on receipt of a valid VAT invoice from Paragraf, pay to Paragraf such additional amounts in respect of VAT as are chargeable on the supply of the Goods at the same time as payment is due for the supply of the Goods.

8.6 If the Customer fails to make a payment due to Paragraf under the Contract by the due date, then, without limiting Paragraf’s remedies under clause 13 (Termination), the Customer shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause will accrue at 4% per annum from the date of the Bank of England’s base rate from time to time, but at 4% for any period when that base rate is below 0%.

8.7 All amounts due under the Contract shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

8.8 Payment must be made in the currency stipulated on the Order Acknowledgement. In the event that payment is made in any other currency, Paragraf incurs currency conversion or other bank charges, or suffers exchange-rate losses, Paragraf reserves the right to charge additional sums to cover such items. Where payment is made to Paragraf via bank transfer, the Customer will be liable for any associated bank charges and associated transaction fees.
9.2 The Customer shall not attempt to: (a) circumvent any technical or physical protection measures applied to the Goods; or (b) disassemble or reverse engineer the Goods; or (c) investigate or access any aspects of the Goods that are not disclosed by Paragraf, except, in respect to GHS Array Starter Kits, to the extent permitted by Paragraf as detailed in any Technical Data. Failure to comply with this clause is acknowledged by the Customer that Paragraf will need to take action to protect its intellectual property rights, confidential information and business interests worldwide by issuance of interim injunctions to prevent against potential dissemination or misuse of its confidential information or proprietary intellectual property. In the event of a breach or threatened breach by the Customer, Paragraf shall be entitled to apply for injunctive relief in any court of competent jurisdiction and the Customer shall not oppose any such application. The Customer shall indemnify Paragraf against all costs, claims, demands and liabilities arising directly or indirectly out of a breach. This clause is without prejudice to Paragraf's right to claim further general damages or losses arising out of any breach of this clause or the Contract by the Customer or from pursuing any other remedies available to it for breach or threatened breach of the Contract. This clause shall survive the termination of any Contract.

10. Data Protection
Both parties will comply with all applicable requirements of the Data Protection Legislation (and the terms of their respective privacy policies) in relation to the arrangements governed by this Contract.

11. Confidentiality
11.1 Each party undertakes that it shall not at any time during the Contract, and for a period of three years after termination of the Contract, disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party, except as permitted by clause 11.2.

11.2 Each party may disclose the other party's confidential information: (a) to its employees, officers, representatives, subcontractors or advisers who need to know such information for the purposes of carrying out the party's obligations under the Contract. Each party shall ensure that its employees, officers, representatives, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause; and (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

11.3 Neither party shall use the other party's confidential information for any purpose other than to perform its obligations under the Contract.

12. Limitation of Liability
12.1 The restrictions on liability in this clause apply to every liability arising under or in connection with the Contract including liability in contract, tort (including negligence), misrepresentation, restitution or otherwise.

12.2 Nothing in the Contract limits any liability which cannot legally be limited, including liability for: (a) death or personal injury caused by negligence; (b) fraud or fraudulent misrepresentation.

12.3 Subject to clause 12.2, the Customer's liability to Paragraf for the failure of the Customer shall not exceed the amount paid by the Customer under any Contract for the specific Goods in relation to which a claim is made.

12.4 Subject to clause 12.2, the following types of loss are wholly excluded: (a) loss of profits; (b) loss of sales or business; (c) loss of agreements or contracts; (d) loss of anticipated savings; (e) loss of use or corruption of software, data or information; (f) loss of or damage to goodwill; (g) losses related to reliance on Technical Data; (h) indirect or consequential loss.

12.5 Paragraf shall in no circumstances be liable to the Customer for any loss, damage or liability incurred by the Customer as a result of or in connection with a third-party claim regarding the Intellectual Property Rights in or used by the Goods (including without limitation any claim for contributory infringement or inducing infringement).

12.6 Customer assumes responsibility for any on Technical Data and compliance with all legal, regulatory, safety, and security related requirements concerning use of the Goods generally and in the development of, or where the Goods are not GHS Array Starter Kits or GHS001CC, for incorporation into, products or services (a) used in applications or environments requiring fail-safe performance or (b) in which errors or inaccuracies in the content, functionality, or information provided by any of the foregoing or the failure of any of the foregoing could lead to death, personal injury, or severe physical or environmental damage, regardless of any information or support that may be provided by Paragraf. As such, Customer assumes all risk related to use of any Products in such applications. This clause shall survive termination of the Contract.

12.7 GHS Array Starter Kits are supplied “as is”, without liability of any kind and all representations, warranties, conditions and all other terms of any kind whatsoever implied by statute or law, to the fullest extent permitted by applicable law are disclaimed and excluded from this Contract, whether express, implied or statutory, including, without limitation, any implied warranties of title, merchantability, quality, fitness for a particular purpose and noninfringement.

13. Termination
13.1 Without affecting any other right or remedy available to it, either party may terminate the Contract with immediate effect by giving written notice to the other party if: (a) the other party commits a material breach of its obligations under the Contract and (if such breach is remediable) fails to remedy that breach within 30 days after receipt of notice in writing to do so; (b) the other party takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction; (c) the other party suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business; or (d) the other party's financial position deteriorates to such an extent that in the terminating party’s opinion the other party’s capability to adequately fulfil its obligations under the Contract has been placed in jeopardy.

13.2 Without affecting any other right or remedy available to it, Paragraf may terminate the Contract with immediate effect by giving written notice to the Customer if: (a) the Customer fails to pay any amount due under the Contract on the due date for payment; (b) there is a change of control of the Customer; (c) Customer asserts any intellectual property rights alleging infringement against Paragraf or Paragraf's direct or indirect customers, distributors or any licensee of Paragraf’s Intellectual Property Rights.

13.3 Without affecting any other right or remedy available to it, Paragraf may suspend, without liability, all deliveries or further deliveries of Goods under the Contract or any other contract between the Customer and Paragraf if: (i) the Customer fails to pay any amount due under the Contract on the due date for payment; (ii) the Customer becomes subject to any of the events listed in clause 13.1(a) to 13.1(d), (iii) Paragraf reasonably believes that the Customer is about to become subject to any of them; or, (iv) the Customer fails a credit check at any time.

14. Consequences of Termination
14.1 On termination of the Contract: (a) the Customer shall immediately pay to Paragraf all of Paragraf’s outstanding unpaid invoices and interest and, in respect of Goods supplied but for which no invoice has been submitted, Paragraf shall submit an invoice, which shall be payable by the Customer immediately on receipt; and (b) the Customer shall return any Goods which have not been fully paid for. If the Customer fails to do so, then Paragraf may enter the Customer’s premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract.

Termination or expiry of the Contract shall not affect any rights, remedies, obligations and liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry.

Any provision of the Contract that expressly or by implication is intended to have effect after termination or expiry shall continue in full force and effect.

15. Press Releases and Publications
The Customer shall not release any details of or the existence of this Contract or the Goods without the prior written approval of Paragraf.

16. Force Majeure
Paragraf shall have no liability in respect of failure to deliver or perform or delay in delivering or performing any obligations under a Contract due to any cause outside the reasonable control of Paragraf, including but not limited to acts of God or nature, fire, floods, war and civil disturbances, riots or terrorist actions, acts of Governments, currency restriction, labour disputes, strikes, shortages, unavailability of materials or failure of a supplier, carrier or sub-contractor to deliver on time. Paragraf shall also have the right, in such situation, to cancel the Contract by written notice to Customer (Force Majeure Event).

17. Notices
Any notice given to a party under or in connection with the Contract shall be in writing and shall be: (a) delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case); or (b) sent by email to the address specified for each party’s representative as
set out in the Contract Details, or such other email address as notified to the other party for this purpose from time to time.

17.2 Any notice shall be deemed to have been received: (a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address; and (b) if sent by pre-paid first-class post next working day delivery service, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service; and (c) if sent by email, at the time of transmission, or, if this time falls outside business hours in the place of receipt, when business hours resume. In this clause business hours means 9.00am to 5.00pm Monday to Friday on a day that is not a public holiday in the place of receipt.

17.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

18. GENERAL

18.1 Paragraf may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under the Contract.

18.2 The Customer shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under the Contract without the prior written consent of Paragraf.

18.3 If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 18.3 shall not affect the validity and enforceability of the rest of the Contract.

18.4 A waiver of any right or remedy under the Contract or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under the Contract or by law shall prevent or restrict the further exercise of that or any other right or remedy.

18.5 Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party the agent of the other, or authorise either party to make or enter into any commitments for or on behalf of the other party.

18.6 The Contract and the Order Acknowledgement constitute the entire agreement between the parties and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter.

18.7 Each party acknowledges that in entering into the Contract it does not rely on and shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misrepresentation based on any statement in the Contract. Unless it expressly states otherwise, the Contract does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract.

18.8 The rights of the parties to rescind or vary the Contract are not subject to the consent of any other person.

18.9 Except as set out in these Conditions, no variation of the Contract shall be effective unless it is agreed and approved by the parties (or their authorised representatives) in writing.

18.10 The Contract and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

18.11 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.