

Design & Development Terms and Conditions

This document outlines the additional terms and conditions to CNS's standard terms and conditions please see website for details, for Design and Development work carried out on behalf of the Client by Control Network Solutions Ltd (CNS).

CNS will develop **The Design** as defined in the Agreed Specification.

The Client or its partners may require changes to the agreed specification either direct or indirectly. The additional costs and revised timescales shall be advised by **CNS** and agreed by **The Client** before the changes are accommodated. Delay in advising required changes or in establishing agreement may result in **CNS** resources being redeployed and additional timescale delays. Agreed changes that are later revoked (or amended) will be considered as multiple changes and will be handled as further new changes.

An outline plan identifying anticipated delivery dates (for CNS deliverables and required information from The Client) shall be formed at the start of the design process. **CNS** will use its best endeavours to maintain the agreed delivery dates. Delays occurring due to factors outside of CNS's control will be advised to The **Client** as soon after identification as reasonably practical. Delays resulting from The Client's actions may result in additional charges.

The Design will be subject to Acceptance by The Client or their partners. The **Acceptance Criteria** shall establish that **The Design** complies with the **Agreed Specification** and any agreed changes to the specification. The Acceptance Criteria and summary of the associated tests shall be provided to CNS during the design process. Acceptance Criteria beyond this scope must be agreed with CNS during the design process. Unless otherwise agreed The Client shall be responsible for providing equipment and facilities to conduct The Design test and acceptance.

CNS and **The Client** acknowledge that the specification and information exchanged by both parties may contain proprietary information not to be disclosed to others and will maintain such information under the terms of the nondisclosure agreements.

Ownership

CNS will at all times be and remain the sole and exclusive owner of the Developer Properties in any format used in or made part of **The Design** which is not provided by **The Client** or a Third Party. Except as expressly authorised in this Agreement **The Client** will not copy, modify, distribute or transfer (by any means), display, sublicense, rent, reverse engineer, decompile or disassemble the Developer Properties.

The Client will at all times be and remain the sole and exclusive owner of the Client Properties. CNS will only use the Client Properties used in or made part of The Design. Except as expressly authorised in this Agreement CNS will not copy, modify, distribute or transfer (by any means), display, sublicense, rent, reverse engineer, decompile or disassemble the Client Properties. **The Client** shall warrant CNS has right to use or make part of The Design the supplied Client Properties (or Third Party Properties supplied as such).

On payment of the agreed fees **The Client** has right to use, copy and distribute The Design for use with client's product or project.

Warranties

CNS is contracted to produce The Design to the agreed specification and any agreed changes to this specification. The Client is responsible for ensuring that the agreed specification and agreed changes are a complete definition of The Client's requirements from The Design. CNS accepts no liability, nor compensation, for consequential damage due to any system component failure or failure of other parties contracted by The Client.

The Design will be developed to work with products supplied by other manufacturers, suppliers and The Client. CNS cannot guarantee the documentation of these parties accurately reflects their products. As such CNS cannot guarantee the performance of any of these components and subsequently their impact on the overall system.

CNS represents and warrants that The Design does not knowingly violate any law or regulation, including the laws and regulations governing export control.

CNS further represents and warrants that (a) it will use commercially reasonable efforts to insure The Design will substantially conform to the Acceptance Criteria for a period of thirty (30) days after testing (provided that The Client or its partners make no changes to The Design, the platform or any technology related to any of them; and (b) there is no outstanding contract, commitment, or agreement to which CNS is a party or legal impediment of any kind known to them which conflicts this Agreement or might limit, restrict or impair the rights granted hereunder.

CNS Fees and Terms

The Client agrees to pay the fee detailed in the Quotation (The Quotation) and any agreed additional fees as remuneration for the work undertaken and knowledge applied by CNS.

In the event that The Client cancels this contract after work has commenced The Client shall be liable for the amount of work completed by CNS. The invoice for the current stage or time period shall become due and all outstanding fees shall become payable.

Modifications and technical support beyond the agreed warranty period shall be subject to additional support contract. In the absence of a valid support contract technical support and modification shall be charged at the prevailing CNS consultancy rate (currently £90 per hour).

Travel costs and reasonable expenses will be charged in addition to the CNS fees at cost plus 10%.

Payment terms are defined in The Quotation. In the absence of payment terms within The Quotation our standard terms of initial payment of 40% with order, equal monthly payments totalling 50%, and final payment of 10% on acceptance shall apply. Terms are strictly 30 days from date of invoice.

In addition CNS offer will be subject to CNS standard terms and conditions see website for details.