

DISTRIBUTION AGREEMENT

This agreement is made and entered into on 17th May 2016 by and between MD Diagnostic Limited (the "Seller"), a company located at 15 Hollingworth Court, Turkey Mill, Ashford Road, Maidstone, Kent, ME14 5PP, & Viamed Ltd 15 Station Road, Cross Hills, Keighley, West Yorkshire BD20 7DT

WHEREAS:

- a) The Seller manufactures certain medical device products (the "Products") as defined as CO Screen and associated consumables;
- b) The Distributor wishes to be appointed as an exclusive distributor and as Official Representative for the promotion and sale of the Products in the Territories as defined as United Kingdom.

NOW, THEREFORE

In consideration of the mutual promises and covenants hereinafter set forth, the parties hereto agree as follows:

1. APPOINTMENT OF DISTRIBUTOR

- 1.1. Subject to all of the terms and conditions of this Agreement, The Seller hereby appoints The Distributor, and Distributor hereby accepts appointment, as an authorised, independent distributor of the Products in the Territories.

2. RELATIONSHIP OF THE PARTIES

- 2.1. The Distributor buys and sells in his own name and for his own account. The Distributor acts as independent trader as regards both the Seller and the customers.
- 2.2. The Seller shall have the right, upon reasonable notice to the Distributor and during regular business hours, to inspect and audit the facilities being used by the Distributor for distribution of the Products, to assure compliance by the Distributor with applicable rules and regulations of the territories and with other provisions of this Agreement.

3. DISTRIBUTION RECORDS

- 3.1. Distribution records shall be kept by the Distributor for the life-time of the device or ten (10) years from shipping whichever is the greater. The Seller shall have access to these records as required. These distribution records must be adequate to permit a complete and rapid withdrawal of devices from the market.
- 3.2. The Distributor shall provide the Seller with all details requested, including without limitation, the customer name, address and contact details, including the batch or lot numbers, including quantities sold to facilitate traceability to the end user.

4. COMPLAINTS & VIGILANCE

- 4.1. The Distributor shall keep the required records and report complaints and investigations for input to the Corrective & Preventive action system. The point of contact to control the activities of MD Diagnostics Limited regarding Corrective & Preventive action shall be the Seller's Managing Director. Documented procedures for adverse events and post-market surveillance must meet the Medical Device requirements for Vigilance and Problem Reporting.

- 4.2. Details of complaints, vigilance and problem reporting and post-market surveillance shall be reported to the Seller promptly to allow the Seller to meet their regulatory reporting requirements.

5. PRODUCT INFORMATION

- 5.1. The Seller shall provide Instructions for Use and product labelling in English for each of the Products. Where local language Instructions for Use and product labelling are required the Seller shall undertake to provide the appropriate translations. The Seller must pre-approve any promotional material that is developed by the Distributor and contains references to the Seller before this material enters the local marketplace.
- 5.2. The Distributor may not put any trademark of his own on any Products or Product's documentation material (including without limitation any inserts), without the Seller's permission in writing in advance. Such authorisation shall not be unreasonably withheld as long as regulatory requirements are met.
- 5.3. The Distributor shall not, without the prior written consent of the Seller, alter or make any addition to the labelling or packaging of the Products displaying the aforementioned Seller's trademarks, and shall not alter, deface or remove in any manner any reference to such trademarks, any reference to the Seller or any other name attached or affixed to the Products or their packaging or labelling.
- 5.4. The Distributor must at all times seek prior approval from the Seller for all promotional and press release material prior to that material being circulated in the public domain. Such approval shall not unreasonably be withheld.

6. SECRECY

- 6.1. Each Party agrees and undertakes that during the term of this Agreement and thereafter it shall keep confidential and shall not use for its own purposes all information of a confidential nature (including, without limitation, information relating to a Party's business, know-how, processes, product information and trade secrets) which may become known to that Party from the other Party ("Confidential Information"), unless the information is public knowledge or already known to that Party at the time of disclosure or subsequently becomes public knowledge other than by breach of this Agreement or subsequently comes lawfully into the possession of that Party from a third party.
- 6.2. Either Party's Confidential Information shall be maintained in strictest confidence by the other Party and shall be treated as the other Party would treat its own Confidential Information. It may only be used for the sole purpose of assisting that other Party in adequately discharging its obligations hereunder. Such Confidential Information shall not be disclosed to any third party, unless with prior written approval from the other Party or unless required by local law. This obligation shall survive the termination of this Agreement for seven (7) years from the end of the contract.

7. ASSIGNMENT

- 7.1. This Agreement may not be assigned by either Party without the prior written consent of the other. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

8. CHANGES OF AGREEMENT

- 8.1. Changes or additions to this Agreement shall not be valid unless made in writing and signed by both parties.

9. INVALID CLAUSES

- 9.1. In case one or more provisions of this Agreement are invalid, the validity of the remaining provisions of the Agreement shall not be affected thereby.

10. TERM AND TERMINATION

- 10.1. This Agreement shall come into effect on the date last signed and shall continue in force for a period of one (1) year unless otherwise terminated as provided herein.

11. RIGHTS AND LIABILITIES AFTER TERMINATION

- 11.1. The Distributor shall, at his sole cost and expense, promptly return to the Seller all advertising materials, Confidential Information and all other property or equipment of the Seller in possession of the Distributor.
- 11.2. The Distributor shall, at his sole cost and expense, promptly provide the information to the Seller as required to be maintained in Clause 3.

12. REPLACEMENT OF PREVIOUS AGREEMENTS

- 12.1. This Agreement shall replace all other verbal or written Agreements (howsoever arising) between the Parties concerning the Distributor's regulatory requirements.

13. ENTIRE AGREEMENT

- 13.1. This document constitutes the entire Agreement of the Parties on the subject matter hereof and may not be modified or altered except by written document duly executed by both Parties.

14. FORCE MAJEURE

- 14.1. If either Party is prevented from performing any of its obligations hereunder due to any cause which is beyond the non-performing Party's reasonable control, including but not limited to fire, explosion, flood or other acts of God; acts, regulations, or laws of any government; strike, lock-out or labour disturbances; or unavailability or shortage of power, labour or transportation; war, rebellion or civil disorder (collectively, "Force Majeure Event"), such non-performing Party shall not be liable for breach of this Agreement with respect to such non-performance to the extent any such non-performance is due to a Force Majeure Event.
- 14.2. Such non-performance shall be excused for six (6) months or until the termination of such event (whichever occurs sooner), provided that the non-performing Party gives written notice to the other Party of the Force Majeure Event no later than thirty (30) days after becoming aware that the Force Majeure Event shall prevent timely performance.

15. THIRD PARTY RIGHTS

- 15.1. A person who is not a party to this Agreement shall not have any rights under or in connection with it by virtue of the Contract (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists, or is available, apart from that that Act.

16. APPLICABLE LAW

- 16.1. This Agreement shall be governed by, and construed in accordance with English law. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the Courts of England for determining any dispute, claim or difference concerning this Agreement or any matter arising therefrom.
- 16.2. This Clause and clauses 3, 4, 6, 11, 13 and 17 shall survive any Termination of this Agreement.

17. NOTICES

- 17.1. All notices and other communications hereunder shall be in writing and delivered personally or mailed by overnight mail, postage prepaid, or by certified or registered mail, return receipt requested, postage prepaid, or sent by DHL, Federal Express or other internationally recognised courier service (billed to sender), to Parties at the following addresses:

If to Seller: 15 Hollingworth Court, Turkey Mill, Ashford Road, Maidstone, Kent, ME14 5PP, UK;

If to Distributor: Viamed Ltd 15 Station Road, Cross Hills, Keighley, West Yorkshire BD20 7DT

Or to such other place either Party may designate by written notice to the other.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

DISTRIBUTOR: **Viamed Ltd**

SELLER: **MD Diagnostics Ltd**

By: STEVE NIXON

By:

Title: DIRECTOR

Title:

Date: 18/5/16

Date:

Signature:




Signature: