



TERMS & CONDITIONS OF SUPPLY OF GOODS/SERVICES

These Terms and Conditions shall govern the Contract between the Seller and the Buyer to the exclusion of any other terms and conditions. The Seller shall supply and the Buyer shall acquire the Goods and/or the benefit of the Services in accordance with Seller's estimate (where applicable) and these Terms and Conditions. No variation to these Terms and Conditions shall be binding unless agreed in writing and signed by both the Buyer and the authorised representative of the Seller.

1. DEFINITION

Buyer means the party by whom or on behalf of whom instructions have been given to the Seller for the supply of Services and/or Goods. Contract means the contract for the sale and purchase of the Goods and/or the supply of the Services. Goods mean all goods, parts or other items (including any instalment of the goods or any part of them) which the Seller is to supply and/or perform the Services upon in accordance with these Terms and Conditions. Price means the price of the Goods and/or or the charge for the Services specified in the estimate. Seller means LS Airmotive Limited (Company registration number 10600108 whose registered office is 25a Market Square, Bicester, Oxfordshire, OX26 6AD and place of business, Hangar 2, Oxford Airport, Kidlington, Oxfordshire, OX5 1RA. Services means any work to be done by the Seller whether by way of repairs, servicing, fitting or otherwise.

2. BASIS OF SUPPLY

An estimate given by the Seller to the Buyer shall constitute an offer by the Seller to supply to the Buyer. Authorisation (verbal or written) by the Buyer to the Seller to supply, or an order submitted by the Buyer shall constitute an acceptance of the offer by the Seller to supply the Goods and/or the Services subject to these Terms and Conditions.

Any advice or recommendation given by the Seller or its employees or agents to the Buyer or its employees or agents as to the storage, application or use of the Goods or the Services 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.

The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order or specification submitted by the Buyer and for giving the Seller any necessary information relating to the Goods or the Services within a sufficient time to enable the Seller to properly perform the Contract. The Seller will not provide additional warranty on any Goods supplied other than that offered by the Manufacturer of the Goods. The Buyer will be liable for any additional costs incurred as a result of a warranty claim.



TERMS & CONDITIONS OF SUPPLY OF GOODS/SERVICES

3. PRICE, ADDITIONAL WORK AND CANCELLATION

Where appropriate the Seller may carry out flight testing as part of the Services and may continue to carry out flight tests until satisfied that the Goods are functioning satisfactorily. The Buyer shall pay the cost of flight-testing including insurance and any fees, taxes and expenses. The Buyer shall bear full risk for the Goods during flight testing and shall remain liable for the full Price hereunder regardless of the outcome or results of any such flight-testing. The Buyer shall be liable for all loss, damages, costs and expenses reasonably incurred by the Seller in connection with any claim arising from any flight-testing.

The Price shall be the Seller's quoted price. All Prices quoted are valid for 30 days only and shall be exclusive of any applicable value added tax. The Seller reserves the right by giving notice to the Buyer at any time before deliver to increase the Price to reflect any increase which is due to a factor beyond the control of the Seller such as without limitation any foreign exchange fluctuation alteration of duties significant increase in the costs of labour or materials any change in delivery dates quantities or specifications for the Goods which is requested by the buyer or any delay caused by any instruction of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.

The Seller Reserves the Right to: –

Carry out any additional work necessary to comply with a Certificate of Airworthiness or to obtain appropriate Airworthiness Authority Approval without reference to the Buyer

and the Buyer will be liable to pay the Seller for such additional work;

Make any changes in any specification for the Goods and/or the Services which are required to conform with any applicable statutory or EC requirements or where the Goods or the Services are to be supplied to the Seller's specification which do not materially affect their quality or performance.

The Buyer may not cancel any order that has been accepted by the Seller unless the Seller agrees in writing. If the Buyer cancels the Contract he/she shall indemnify the Seller in full against all loss (including loss of profit) costs (including the cost of all labour and materials used) damages and expenses incurred by the Seller as a result of the cancellation.

4. DELIVERY AND PAYMENT

Any delivery date given by the Seller is an estimate only and the Seller shall not be liable for any loss or damage suffered by the Buyer caused by any reasonable or unavoidable delay in delivery. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer.



TERMS & CONDITIONS OF SUPPLY OF GOODS/SERVICES

Unless otherwise agreed the delivery of the goods shall be at the Seller's premises. Where the Seller agrees to deliver the goods otherwise than at the Seller's premises the Buyer shall be liable for the Seller's additional charges for transport packaging and insurance. If the Buyer fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery the Seller may store the Goods until actual delivery and charge the Buyer for the reasonable costs including insurance of storage.

The Seller shall supply all the parts and replacement components necessary for the performance of the Services unless otherwise agreed in writing with the Buyer. If the Buyer provides any part or component they may be liable to pay to the Seller a handling charge of 10 per cent of the value of the part or component. The value of the relevant part or component shall be as stated in the parts/components supplier's list at the date of the estimate. The Buyer shall pay any duties, taxes, fees, charges or expenses arising from or incurred in connection with the export of any Goods from the United Kingdom and/or the import of any Goods into any other country.

If the Buyer fails to make any payment on the due date then the Seller shall be entitled to cancel the Contract or suspend any further deliveries to the Buyer and charge the Buyer interest from the due date up to the date of actual payment in full (both before and after any judgement) on the amount unpaid at the rate of 8 per cent per annum above base rate. Such interest shall accrue on a daily basis and be compounded quarterly.

5. DISPOSAL OF WORN PARTS

Any time lified worn or old parts/components removed or replaced by the Seller during performance of the Services shall become the property of the Seller and may be disposed of by the Seller without reference to the Buyer.

6. RISK AND PROPERTY

The Seller shall have no liability for any loss or damage to the Goods after the same has left the Seller's premises. Risk of damage to or loss of the Goods shall pass to the Buyer. In the case of the Goods to be delivered at the Seller's premises, at the time when the Goods are collected, or in the case of the Goods to be delivered otherwise than at the Seller's premises, at the time the Goods leave the Seller's premises.

Until such time as the ownership of the Goods passes to the Buyer the Buyer shall hold the Goods as the Seller's fiduciary agent and bailee and keep the Goods properly stored and protected and insured and identified as the Seller's property.



TERMS & CONDITIONS OF SUPPLY OF GOODS/SERVICES

The Buyer shall insure and keep insured the Goods to the full Price against “all risk” to the reasonable satisfaction of the Seller and shall whenever requested by the Seller produce a copy of the policy of insurance, and 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 upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

The Seller shall have a first and paramount lien over any goods or property of the Buyer in its possession for all sums due and payable to the Seller. Notwithstanding delivery and the passing of risk in the Goods, ownership of the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the Price.

If the Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction) or ceases to carry on business or an encumbrancer takes possession or a receiver is appointed of any of the Buyer’s property or assets, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without liability to the Buyer and if the Goods have been delivered but not for the Price shall become immediately due and payable notwithstanding any previous agreement to the contrary.

7. LIABILITY

Unless caused by the Seller’s negligence, the Seller shall not be liable for any loss of or damage to any Goods belonging to the Buyer whilst the same are in the possession of the Seller. The Seller shall only be liable for defective Goods or Services if the defect is due to faulty workmanship or due to a defect in the quality or condition of the Goods or their failure to correspond with any specification provided by the Seller to the Buyer.

Any claim by the Buyer must (whether or not delivery is refused by the Buyer) – be notified to the Seller within 30 days from the date of delivery, or where the defect or failure was not apparent on reasonable inspection, be notified to the Seller within a reasonable time after the discovery of the defect or failure.

If the Buyer does not notify the Seller accordingly, the Buyer shall not be entitled to reject the Goods and the Seller shall have not liability for such defect or failure and Buyer shall be bound to pay the Price as if the Goods had been delivered in accordance with the Contract. Neither party shall be liable to the other for any loss of profit, business, contracts, revenues or anticipated savings or for any special, indirect or consequential loss or damage whatsoever.



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Nothing in these Terms and Conditions shall restrict or exclude liability for death or personal injury caused by the negligence of the Seller.

The Seller shall not be liable for any delay or failure in performance of any of its obligations under the Contract where an event or circumstance which is beyond the Seller's reasonable control including but not limited to Act of God, war, difficulties in obtaining materials, labour, fuel or machinery, import or export regulations, industrial action or trade disputes, failure of sub-contractors, power failure or breakdown of machinery. If any event or circumstance referred to continues for a continuous period of three months and to such an extent that substantial performance of the Contract is prevented then after that time either the Buyer or the Seller shall be entitled to give written notice terminating the Contract with immediate effect.

In the event that the Contract is so terminated, the Seller will be entitled to be paid: –

– In full for the Services performed or completed to the date of termination and a fair proportion for any Services partially completed.

– For the cost of any parts or materials purchased which have been delivered or in respect of which delivery is awaited.

8. GENERAL

Any notice required or permitted to be given by either party to the other under these Terms and Conditions shall be in writing addressed to that 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 or 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 Terms and 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 Terms and Conditions and the remainder of the provision in question shall not be affected.

9. INSURANCE

Following the tragic events of 11 September 2001 and in the light of the enhanced risks of terrorism and the like, the Sellers insurers have exercised their right of cancellation of Hull and Liability War cover. The Seller can no longer extend this cover to the Buyer, as such whilst any property of the Buyer is in the possession of the Seller, the Seller can not accept any liability whatsoever for an act of War or Terrorism (cover for malicious damage is therefore now excluded).

These Terms and Conditions shall in all respects be governed by and construed in accordance with English Law and shall be deemed to have been made in England



LS Airmotive Limited

LSA/M/TC

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and the parties hereby agree to submit to the exclusive jurisdiction of the English Courts.