

1. Application of Terms

- 1.1. Every Contract shall incorporate the Acknowledgement of Order and these Conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Buyer purports to apply under any Purchase Order, confirmation of order, specification, or other document). Where the Goods include Software then the Software Licence shall also apply.
- 1.2. No terms or conditions endorsed on, delivered with, or contained in the Buyer's Purchase Order, confirmation of order, specification or other document shall form part of the Contract simply as a result of those terms and conditions being referred to in the Contract.
- 1.3. The terms defined, and rules of interpretation in Appendix 1 to these Conditions shall apply in these Conditions.

2. Formation and Parties

- 2.1. The Buyer's Purchase Order (in whatever manner communicated) to the Company is and shall be deemed to be an offer by the Buyer to purchase the Goods and/or Services upon these Conditions. Acceptance occurs and the Contract is formed only upon the Company dispatching to the Buyer its Acknowledgement of Order or (if earlier) when the Company delivers the Goods to the Buyer and/or commences performance of the Services.
- 2.2. A quotation by the Company does not constitute an offer.
- 2.3. The Contract cannot be cancelled by the Buyer without the express written agreement of a director or other authorised person on behalf of the Company and subject to Conditions 2.4 and 2.5 below.
- 2.4. Where the Buyer wishes to request cancellation of the Contract the Buyer shall complete the Company's Cancellation Form in full. The Company shall review the completed Cancellation Form and inform the Buyer whether, or not the cancellation is approved as soon as reasonably practicable.
- 2.5. If in accordance with Condition 2.4 above the Company approves the cancellation by the Buyer, the Buyer shall indemnify the Company in full against all expenses incurred up to the time of cancellation together with all loss of profits (direct and indirect) incurred or suffered by the Company arising from or in connection with the cancellation in any way whatsoever.

3. Changes to Goods

- 3.1. In the event that after the Acknowledgment of Order has been issued the Company cannot provide any or all of the Goods stated on the Acknowledgement of Order but the Company is able to provide Goods that are similar and which do not have any variance in their form, fit and function compared to those stated on the Acknowledgement of Order ("**Similar Goods**") then the Company has the right to substitute any or all of the Goods ordered as appropriate with the Similar Goods.
- 3.2. In the event that after the Acknowledgment of Order has been issued the Company can only provide Goods which are materially different to any or all, of the Goods stated in the Acknowledgement of Order ("**Alternative Goods**") the Company shall notify the Buyer as soon as practicable. If the Buyer does not accept the Alternative Goods as a substitute for the Goods which the Company cannot provide, the Buyer shall inform the Company within 5 business days of receipt of the Company's notification and the Company shall arrange a refund of the monies (if any) paid for the Goods which were to be so substituted and the relevant part of Purchase Order shall be cancelled. The refund (if any) shall be the Buyer's sole remedy for the cancellation.

4. Price

- 4.1. Unless otherwise set out in the Acknowledgement of Order, any Goods supplied by the Company to the Buyer under a Contract shall be FCA (Company's premises as set out on Acknowledgement of Order) (as defined in Incoterms 2020) Buyer is responsible for specifying courier or freight forward of its choice in its Purchase Order, in the absence of which, the Company will use its courier or freight forward the cost of which will be charged to the Buyer. To the extent only of any conflict or inconsistency between the delivery terms set out in the Acknowledgement of Order forming part of this Contract and this Condition 4.1, the terms of the Acknowledgement of Order shall take precedence.
- 4.2. Subject to Condition 4.3, the Price will be firm fixed or, if agreed by the parties in writing, subject to an agreed variation of price dependent on the time scale and prevailing economic conditions.
- 4.3. The Company reserves the right to vary the Price due to:
 - (a) a change in the Buyer's instructions; or
 - (b) reasons relating to duties, taxes, exchange rates, bank or other finance handling charges; or
 - (c) other costs of whatever nature including (but not restricted to) those applicable to yearly price lists where the Price is determined by the date of delivery; or

(d) changes to the scope of the Goods/Services to be delivered; and/or

(e) rescheduling of delivery dates.

5. Delivery

5.1. Unless otherwise agreed in writing in the Acknowledgement of Order:

(a) delivery dates are estimates only; and

(b) delivery periods commence from date of Acknowledgement of Order,

and the Company shall use its reasonable endeavours to deliver the Goods by the stated delivery date (or if no delivery date is stated, within a reasonable time) and perform the Services at the time(s) specified in the Acknowledgement of Order (or if no performance time is stated, within a reasonable time), provided that the Company may suspend or delay delivery and/or performance and, subject to the other provisions of the Contract, shall not be liable for any Loss whatsoever caused directly or indirectly by any late delivery or any non-delivery of Goods (or any instalment) or any late performance or non-performance of Services owing to any occurrence whatsoever beyond the Company's reasonable control. Where the Company is unable to deliver by the stated delivery date it shall use reasonable endeavours to agree new delivery dates with the Buyer where possible. The Buyer shall not be entitled to refuse to accept late delivery and/or performance or treat late delivery and/or performance as grounds to terminate or rescind the Contract unless the delay exceeds 270 days.

5.2. The Company may at its option deliver by instalments and each instalment shall constitute a separate Contract. Default in delivery or defect in any one such instalment shall not entitle the Buyer to repudiate the Contract or to cancel any other instalments.

5.3. On delivery, risk in the Goods shall pass to the Buyer (including for loss or damage caused by the Company's negligence).

5.4. The Buyer shall collect the Goods within 7 days of the Company giving the Buyer notice that the Goods are ready for collection.

5.5. If for any reason:

(a) the Buyer has failed to collect the Goods on the expiry of 7 days following the Company's notification of readiness for collection; or

(b) if the Buyer has otherwise failed to take delivery or caused the Company to be unable to deliver the Goods on time because the Buyer has not provided appropriate instructions, documents, licenses or authorisations,

then on the expiry of 8 days following the Company's notification of the readiness of the Goods for collection the Company may store the Goods until collection has occurred, whereupon the Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

5.6. The quantity of any consignment of Goods as recorded by the Company on delivery shall be conclusive evidence of the quantity received by the Buyer on delivery unless the Buyer can provide conclusive evidence proving the contrary.

5.7. Without prejudice to the other provisions of these Conditions, any liability of the Company for non-delivery of Goods shall be limited to (at the Company's option):

(a) replacing the Goods within a reasonable time; or

(b) issuing a credit note at the pro rata Contract rate against any invoice raised for such Goods.

5.8. If after issuing an Acknowledgement of Order the Company discovers that it is unable to fulfil any part of the Purchase Order due to obsolescence resulting in the Company's inability to manufacture or procure the part because Goods, parts and/or materials are no longer available, the Company shall notify the Buyer as soon as possible after such discovery. Where possible the Company may provide the Buyer with a quotation for a redesign of the obsolete Goods or provide termination without liability to the Buyer.

5.9. In relation to Services, the Company shall supply the Services to the Buyer in accordance with the Contract in all material respects.

5.10. Time of delivery is not of the essence of the Contract.

6. Risk and Title

- 6.1. The Goods are at the risk of the Buyer from the time of delivery.
- 6.2. Title in the Goods shall remain with the Company and not pass to the Buyer until the Company receives payment in full (in cash or cleared funds) for the Goods and any other goods that the Company has supplied to the Buyer under any contract in respect of which payment has become due, in which case title to the Goods shall pass at the time of payment of all outstanding sums.
- 6.3. Until title in the Goods has passed to the Buyer, the Buyer shall:
 - (a) hold the Goods on a fiduciary basis as the Company's bailee;
 - (b) store the Goods (at no cost to the Company) separately from all other goods of the Buyer or any third party in such a way that they remain readily identifiable as the Company's property;
 - (c) not destroy, deface or obscure any identifying mark or packaging on or relating to the Goods;
 - (d) maintain the Goods in satisfactory condition; and
 - (e) keep the Goods insured for their full price against all risks to the reasonable satisfaction of the Company, whenever requested by the Company produce a copy of the policy of insurance to the Company and procure that any insurance proceeds received in respect of lost or damaged Goods are paid to the Company, to the extent required to satisfy the indebtedness of the Buyer to the Company.
- 6.4. The Buyer may use and resell the Goods in the ordinary course of its business before ownership has passed to it, provided that the Buyer shall be permitted to resell the Goods solely on the following conditions:
 - (a) any sale shall be affected at full market value;
 - (b) any sale shall be a sale of the Buyer's property on the Buyer's own behalf and the Buyer shall deal as principal when making such a sale;
 - (c) the Buyer shall hold such part of the proceeds of sale as represents the amount owed by the Buyer to the Company in trust for the Company and shall account to the Company; accordingly, and
 - (d) the Buyer shall include a retention of title clause in the form of this Condition 6 in its sale contract with its customer.
- 6.5. The Buyer's right to possession, use and resale of the Goods shall terminate immediately:
 - (a) if the Buyer becomes Insolvent;
 - (b) on the Company giving the Buyer written notice that it has any concerns regarding the financial standing of the Buyer;
 - (c) if the Buyer is in breach of any of its obligations under the Contract or any other contract between the Company and the Buyer;
 - (d) if the Buyer encumbers or in any way charges any of the Goods; or
 - (e) if the Contract terminates for any reason.
- 6.6. The Company shall be entitled to recover payment for the Goods (including by way of court action) notwithstanding that ownership of any of the Goods has not passed from the Company.
- 6.7. The Buyer grants the Company, its agents, employees and sub-contractors access with reasonable notice to enter any premises where the Goods are or may be stored in order to inspect them, or, where the Buyer's right to possession, use and resale has terminated, to recover them.
- 6.8. Where the Company is unable to determine whether any goods are the Goods in respect of which the Buyer's right to possession, use and resale has terminated, the Company shall be deemed to have sold all goods of the kind sold by the Company to the Buyer in the order in which they were invoiced to the Buyer.
- 6.9. If the Buyer's right to possession, use and resale of the Goods terminates in accordance with Condition 6.6, the Company shall be entitled to issue the Buyer with a credit note for the associated part of the Price of the Goods together with value added tax thereon.
- 6.10. The Company's rights contained in this Condition 6 shall survive expiry or termination of the Contract however arising.

7. Inspection of Goods

- 7.1. The Buyer shall inspect the Goods immediately upon receipt and shall be deemed to have accepted the Goods as delivered if it fails to notify the Company of any defect or lack of conformity with the Contract within 10 days of receipt.
- 7.2. The Company shall make good shortages notified to it under Condition 7.1 as soon as reasonably practicable in accordance with Condition 5.6 or Condition 9 (as appropriate) but shall not be liable for any other losses, claims, demands, actions, costs, expenses, and liabilities whatsoever arising from any shortage.

8. Warranty

- 8.1. The warranty period for Goods and Services delivered ("**Warranty Period**") shall be as set out in the table below ("**Warranty Table**"):

Warranty Table

	Type of Goods/Services	Warranty Period	Remedy at Company's discretion under Condition 8.2
a)	Line replacement unit / OEM part / new build	12 months from date of delivery under Condition 5	Repair or replacement
b)	Repaired Goods (subject to Condition 8.10)	12 months from the date of delivery under Condition 5, limited to materials installed and labour undertaken specific to the repair in question	Repair or replacement
c)	Services other than repair	12 months from the completion of the relevant stage of performance	Re-performance of Services or refund of associated part of the Price

Where Goods are delivered to the Buyer in connection with the performance of any Services, the shorter of the Warranty Period for Goods and the Warranty Period for Services shall be the only applicable Warranty Period.

- 8.2. The Company warrants that Goods and/or Services (as applicable) will be free from defects in material and workmanship under normal use and service for the Warranty Period ("**Warranty**") and subject to the limitations set out in the Warranty Table. If, prior to expiry of the relevant Warranty Period, and subject always to the other provisions of this Condition 8:
- (a) any Goods are found to be defective in material or workmanship, the Company shall, at its option, repair or replace such Goods at its expense within a reasonable time; or
- (b) any Services are found to be defective in materials used or workmanship, the Company shall, at its option, re-perform the Services at its expense within a reasonable time or refund the associated part of the Price.
- 8.3. Where a defect in the Goods (which was not discoverable on inspection of the Goods in accordance with Condition 7.1) arises after acceptance of the Goods in accordance with Condition 7.1 and in respect of all defects in the Services, the Buyer shall provide the Company with written notice of a claimed defect within 14 days after the defect becomes apparent to the Buyer ("**Warranty Claim**"). In order to be valid, the Buyer's Claim must contain reasonable details and supporting evidence to demonstrate to the Company's reasonable satisfaction that the Warranty Claim is covered by the Warranty, and the Warranty Claim shall then remain subject to confirmation, verification and acceptance by the Company.
- 8.4. Any Goods and/or Services that are the subject of a Warranty Claim and which are determined by the Company to have no fault found ("**NFF**") shall result in the Buyer being liable to the Company for inspection, evaluation, test and recertification charges (including, where applicable, transportation charges) and any relevant Goods shall be returned to the Buyer EXW (Company's premises as set out on Acknowledgement of Order) (as defined in Incoterms 2020).
- 8.5. If the Company approves a Warranty Claim, the Company's obligation under the Warranty (and the Buyer's remedy) is limited to the repair or replacement of the relevant Goods and/or re-performance of the Services or refund of the associated Price (as applicable). In the event that the Company agrees to replace defective Goods under Condition 8.2(a), the Buyer shall dispose of the defective Goods in accordance with the Company's instructions. The Company shall ship any repaired or replaced Goods to the Buyer DAP (as defined in Incoterms 2020).
- 8.6. The Company's liability under the Warranty applies only to defects appearing before the Buyer makes any modification or alteration to the Goods and/or any materials connected to the Services (as applicable) and whilst the Goods and/or other relevant materials are being properly used, handled, maintained, or stored in accordance with the Company's instructions.

In particular, the Company shall not be liable in the case of defects arising from normal deterioration or improper or faulty handling, operation, maintenance, or processing by the Buyer or any third party.

- 8.7. The Warranty does not extend to any new materials or components forming part of the Goods and/or the Services (as applicable) which are not manufactured by the Company. In respect of such items the Buyer shall be entitled only to the benefit of any manufacturer's warranty or guarantee, the benefit of which the Company is able to obtain.
- 8.8 Any repair, replacement or re-performance under Warranty by the Company shall not extend or renew the applicable Warranty Period.
- 8.9. The Warranty provides the exclusive remedy for all Warranty Claims regardless of when the associated failure or defect arises and whether a Warranty Claim, however described, is based on contract, warranty, indemnity, tort, liability (including negligence), strict liability or otherwise.
- 8.10. All warranties, conditions and other terms implied by law (whether by statute, common law or otherwise) (save for the conditions set out in section 12 of the Sale of Goods Act 1979 and Sections 2 and 13 of the Supply of Goods and Services Act 1982) are excluded from the Contract.
- 8.11. The Buyer agrees that, following delivery, any work performed on, or the incorporation of any parts into, or repairs made to any of the Goods, which, in each case are not performed or otherwise approved by the Company, shall result in any unexpired portion of the Warranty in respect of those Goods immediately becoming void and disclaimed by the Company, and shall cause the Buyer to indemnify and keep indemnified the Company in respect of any and all Loss and liability resulting from the work performed on, parts incorporated into, or repairs made to the relevant Goods.

9. Use of Purchased Parts

- 9.1. The Buyer shall be liable for all drawings, specifications, instructions and/or goods issued to the Company with Purchase Orders or pursuant to the Contract and shall indemnify and keep indemnified the Company against all Loss and liabilities directly or indirectly arising out of any error or defect in or omission from such drawings, specifications, instructions and/or goods and against all Loss whatsoever in respect of the infringement or potential infringement of any Intellectual Property Rights arising out of the Company's use of such drawings, specifications instructions and/or goods.
- 9.2. Repairs, maintenance and modification of equipment comprising or containing parts purchased as Goods under the Contract must be performed as specified in the applicable component maintenance or overhaul manual and/or service bulletin by technically competent and appropriately qualified personnel. Any such repairs, maintenance and/or modification must also be performed using tooling and test equipment as specified in the relevant manual or service bulletin and must be performed in a repair facility approved by the appropriate governing airworthiness authority (as applicable). In the event the Buyer does not comply with the provisions of this Condition 9.2, the Buyer agrees to defend, indemnify and hold harmless the Company from any and all claims, loss or expense resulting directly or indirectly from such non-compliance.
- 9.3. The Buyer shall comply with all applicable import and export control laws and regulations and shall hold and continue to hold all licences, consents, authorisations and permissions required to lawfully receive and use the Goods and/or Services and/or technical data from the Company on the basis set out in the Contract.
- 9.4. The Buyer shall be liable for, and shall indemnify and keep indemnified the Company against, any Loss arising from or in connection with claims by third parties in respect of or arising out of any use of any Goods purchased under the Contract, save where such liability has arisen as a direct result of the negligence of the Company.

10. Limits of Liability

- 10.1. The Goods are supplied strictly on the terms that the Buyer has satisfied itself of their suitability for its purposes. The Buyer acknowledges that all specifications and details in catalogues, listings, quotations or acknowledgements of order or similar documents or by word of mouth and all forecasts of performances, howsoever given, are approximate only and do not form part of the Contract and that in respect of such specifications, details and forecasts the Company shall be under no liability nor shall the Buyer be entitled to any remedy under the provisions of the Misrepresentation Act 1967.
- 10.2. In the event the Buyer claims the Company has breached any of its obligations under the Contract (whether of warranty or otherwise), the Company may request the return of the Goods (at the Company's expense) and (following return of the relevant Goods) refund to the Buyer the associated part of the Price already paid by the Buyer for those Goods.
- 10.3. Other than as expressly provided in Condition 10.2, in all cases where the Buyer claims against the Company pursuant to the Contract, whether the claims are based in contract, tort (including negligence), or under any other legal or equitable theory of law or arise out of or relate to the sale, delivery or use of defective Goods or damage resulting from defective Goods, the Buyer's exclusive remedies, and the Company's sole liability, shall be limited to those specifically provided in Condition 8 (Warranty) and Condition 10.7.
- 10.4. Notwithstanding any other provision of the Contract, the Company shall have no liability to the Buyer for any Loss arising out of or in connection with the Contract, whether in contract, tort, misrepresentation, under statute or otherwise, howsoever caused including by negligence and also including any liability under an indemnity contained in the Contract

and/or arising from a breach of, or a failure to perform or defect or delay in performance of, any of the Company's obligations under the Contract.

- 10.5. The Company shall not be liable for any Loss arising from, in connection with or related to the incompatibility and/or inoperability of any Goods that have been supplied under the Contract with parts, goods, vehicles, machinery or any other property into which the Buyer may (either itself or by contracting with a third party to do the same) install, add, use or affix the Goods.
- 10.6. Nothing in the Contract shall be construed as limiting or excluding either Party's liability under Part 1 of the Consumer Protection Act 1987 or for death or personal injury resulting from its negligence (as defined in Section 1 of the Unfair Contract Terms Act 1977) or for fraud or fraudulent misrepresentation or for any matter which it would be illegal for either Party to exclude or attempt to exclude its liability.
- 10.7. Subject to Condition 10.4 and Condition 10.5, the Company's maximum aggregate liability arising out of or in connection with the Contract, whether in contract, tort, misrepresentation, under statute or otherwise, howsoever caused including by negligence and also including any liability under an indemnity contained in the Contract and/or arising from a breach of, or a failure to perform or defect or delay in performance of, any of the Company's obligations under the Contract shall be limited to 100% of the Price paid and/or payable under the Contract for the specific Goods and/or Services which are the subject of the relevant claim.

11. Termination for Insolvency

- 11.1. The Buyer shall notify the Company immediately in the event that it becomes or is likely to become Insolvent.
- 11.2. Notwithstanding any other provision of this Contract, the Company may terminate the Contract immediately by giving written notice to that effect to the Buyer if the Buyer becomes Insolvent.

12. Payment

- 12.1. The Buyer shall pay each invoice submitted by the Company within 30 days of the date of the invoice in full without deduction or set-off.
- 12.2. The Company shall be entitled to invoice the Buyer for the Price for the Goods and, where applicable, any packaging, insurance, carriage and/or delivery costs payable by the Buyer in addition to the Price following delivery of the Goods in accordance with Condition 5.
- 12.3. The Company shall be entitled to invoice the Buyer for the Price for the Services following commencement of performance of the Services.
- 12.4. No discount or allowance will be made unless specifically agreed by the Company in writing in the Acknowledgement of Order.
- 12.5. Interest will be charged on all sums due under or by way of damages for breach of the Contract at the rate of 4% per annum above the base rate of the Bank of England from time to time in force and shall be calculated and accrue on a day-to-day basis from the date on which payment falls due until payment is made (whether made before or after judgement has been obtained by the Company against the Buyer).
- 12.6. Time for making payment shall be of the essence of the Contract.
- 12.7. The Company may at any time, in its absolute discretion, appropriate any payment made by the Buyer in respect of Goods to such outstanding debt as the Company thinks fit, notwithstanding any purported appropriation to the contrary by the Buyer.
- 12.8. The Company shall be entitled without prejudice to its other rights and remedies to cancel the Contract or to postpone any delivery until payment has been received, in the event that the Company has reasonable doubts about the Buyer's ability or willingness to pay on the due date.
- 12.9. The Company reserves the right at any time in its discretion to demand security for payment before continuing with a Purchase Order or delivering Goods or Services, or any instalment.
- 12.10. Where the Company is in receipt of Goods that have been sent to it for evaluation and/or repair (outside warranty) by the Buyer, the Company shall have a general and particular lien on the Goods in its possession as security for payment of all sums claimed by the Company from the Buyer. If an invoice for the Price is not paid in full on its due date for payment, the Company may, without prejudice to its other rights and remedies, give notice in writing to the Buyer of its intention to sell or otherwise dispose of some or all of the Goods in its possession if the amount outstanding is not paid in full within 30 days. If the amount due is not paid by the expiry of such period, the Company may sell or otherwise dispose of some or all of the Goods in its possession, as agent of the Buyer and at the Buyer's expense and risk, and shall remit the proceeds of sale or disposal of such Goods to the Buyer after deduction of all amounts due to the Company and the expenses incurred by the Company for the sale or disposal of the Goods. The Company shall not be liable for the price obtained for the sale or disposal of the Goods.

12.11. Without prejudice to Condition 12.8 or Condition 12.11, the Company may terminate the Contract immediately by giving written notice to that effect to the Buyer if the Buyer fails to make any payment due to the Company under the Contract or any other contract between the parties on or before the due date.

12.12. VAT will be charged at the rate ruling at the time of despatch of the Goods or, if different, the basic tax point (as defined in regulations governing VAT from time to time in force).

13. Premises and Safety

13.1. Where the Company's employees or agents require to enter premises occupied by the Buyer or other premises at which the Contract is required to be performed ("**Premises**") the Buyer shall:

- (a) ensure that the Premises are ready and available so as to enable the Company to perform its obligations and provide to the Company, its employees and agents such information as the Company may reasonably require to permit the Contract to be performed at the Premises;
- (b) ensure that compliance is being made at the Premises with all relevant provisions of the Health and Safety at Work etc. Act 1974 and other legislation concerning safety and working conditions;
- (c) draw to the notice of the Company, its employees and agents any hazards on the Premises and issue appropriate warnings and safety equipment;
- (d) indemnify and keep indemnified the Company against all loss, costs, claims, damages, expenses and other liabilities whatsoever arising out of any failure in whole or in part of the Buyer to comply with its obligations under this Condition 13.1.

13.2. If the Buyer is in breach of any of its obligations under Condition 13.1, the Company shall be entitled to suspend performance of the Contract until the breach has been remedied to the reasonable satisfaction of the Company.

14. Force Majeure

14.1 The Company shall not be liable to the Buyer if the Company is unable to carry out any provision of the Contract for any reason beyond its reasonable control including (but without limitation) Act of God, epidemic, pandemic, change in legislation, war, insurrection, riot, civil commotion, act or threat of terrorism, lightning, earthquake, fire, flood, drought, storm or extreme weather condition, failure of power supply, lock out, strike, stoppage, refusal or withdrawal of export licenses or other action by employees or third parties in contemplation or furtherance of any dispute or owing to any inability to procure parts or material required for the performance of the Contract.

15. No Waiver

15.1. No waiver of any of the Company's rights under the Contract shall be effective unless in writing signed by an authorised person on behalf of the Company.

15.2. A waiver shall apply only to the specific circumstances in which it is given and shall be without prejudice to the enforcement of the Company's rights in relation to different circumstances or the recurrence of similar circumstances.

16. Assignment and Sub-Contracting

16.1. The Company may assign, transfer, charge, hold on trust for any person and deal in any other manner with any of its rights under the Contract or any part of it to any person, firm or company.

16.2. The Buyer shall not be entitled to assign, transfer, charge, hold on trust for any person or deal in any other manner with any of its rights under the Contract or any part of it without the prior written consent of the Company.

16.3. The Company shall be entitled to sub-contract all or any part of the Contract as it may think fit.

17. Notices

17.1 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; or
- (b) sent by email to the address: i) in the case of the Buyer, specified in the Purchase Order or any address that the Buyer has provided to the Company for such purposes; or ii) in the case of the Company to LegalNotice@ontic.com.

17.1.1 Any notice shall be deemed to have been received:

- (a) if delivered by hand, at the time the notice is left at the proper address;
- (b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; or

(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 Condition 17.2., 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.

18. Proprietary Information

- 18.1. The Buyer shall keep confidential and shall not use or disclose any information to any third party of a proprietary or confidential nature which relates to the Company and/or the Company's Group and/or which is used in or otherwise relates to the business, customers, suppliers or financial or other affairs of the Company and/or the Company's Group, which is disclosed to the Buyer (in any form) by or on behalf of the Company (or any member of the Company's Group, its permitted agents or subcontractors) or learnt by the Buyer (or any member of the Buyer's Group, its permitted agents or subcontractors) in connection with the Contract, the Goods and/or Services. The Buyer shall be permitted to use and disclose the same only to its own employees to the extent necessary to enable it to perform its obligations under the Contract.
- 18.2. Nothing in these Conditions or any Contract shall operate to transfer to the Buyer or to grant to the Buyer any licence or other right to use any of the Company's Intellectual Property Rights, save that the Buyer may use the Company's Intellectual Property Rights in the Goods solely to the extent necessary to use the Goods for the purpose for which they were supplied.
- 18.3. If the Buyer becomes aware of any actual or potential infringement of any of the Company's Intellectual Property Rights by any person, the Buyer shall promptly give written notice of this to the Company and shall, at the request of the Company, provide such assistance as the Company may require in connection with any action that it takes in relation to the actual or potential infringement.
- 18.4. The Buyer has no right (and shall not permit any third party) to copy, adapt, reverse engineer, decompile, disassemble, modify or adapt the Goods in whole or in part.
- 18.5. The Buyer shall be liable for, and shall indemnify and keep indemnified the Company against, any Loss arising from or in connection with breach of Conditions 18.1., 18.2. and 18.4.
- 18.6. If the Company provides any software to the Buyer as part of the Goods (including where the software is embedded in the Goods or provided to the Buyer with and as part of the Goods) the Software Licence in Annex 2 ("**Software Licence**") shall apply to the Buyer's use of the software. If there is any conflict between the Conditions of this Contract and the terms of the Software Licence the Software Licence terms shall prevail.

19. Construction and Jurisdiction

- 19.1. The Contract (incorporating the Acknowledgement of Order and these Conditions) constitutes the entire agreement between the parties and supersedes any prior agreement or communications between the Company and Buyer concerning the subject matter of the Contract.
- 19.2. Except as expressly provided in the Contract, the parties do not intend that any term of the Contract shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than the parties.
- 19.3. The Company's rights and remedies set out in the Contract are in addition to and not exclusive of any rights and remedies provided by law.
- 19.4. If any term of the Contract is found by any court or body or authority of competent jurisdiction to be illegal, unlawful, void or unenforceable, that term shall be deemed to be severed from the Contract and this shall not affect the remainder of the Contract which shall continue in full force and effect.
- 19.5. Following expiry or termination of the Contract:
 - (a) Conditions 1, 2, 8, 9, 10, 11, 15, 17, 18 and 19 shall continue in force, together with any other Conditions which expressly or impliedly continue to have effect after expiry or termination of the Contract; and
 - (b) all other rights and obligations shall immediately cease without prejudice to any rights, obligations, claims (including claims for damages for breach) and liabilities which have accrued prior to the date of expiry or termination.
- 19.6. No variation of this Contract shall be effective unless it is agreed in writing and signed by the parties (or their authorised representatives).

20. Dispute Resolution

- 20.1. With the exception of disputes over the payment of the Price and any other charges payable under this Contract by the Buyer which shall be dealt with under Condition 20.3, if a dispute arises out of or in connection with this Contract or the performance, validity or enforceability of it ("**Dispute**") then except as expressly provided in this Contract, the parties shall follow the procedure set out in this Condition 20.1.:

- (a) either party shall give to the other written notice of the Dispute, setting out its nature and full particulars ("**Dispute Notice**"), together with relevant supporting documents. On service of the Dispute Notice, the relevant Contracts Manager of the Buyer and the relevant Contracts Manager of the Company shall attempt in good faith to resolve the Dispute;
 - (b) if the relevant Contracts Manager of the Buyer and the relevant Contracts Manager of the Company are for any reason unable to resolve the Dispute within 60 days of service of the Dispute Notice, the Dispute shall be referred to the Chief Executive Office of the Buyer and Chief Executive Officer of the Company who shall attempt in good faith to resolve it; and
 - (c) if the Chief Executive Office of the Buyer and Chief Executive Officer of the Company are for any reason unable to resolve the Dispute within 60 days of it being referred to them, the parties agree to enter into mediation in good faith to settle the Dispute in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator shall be nominated by CEDR. To initiate the mediation, a party must serve notice in writing ("**ADR Notice**") to the other party to the Dispute, referring the dispute to mediation no earlier than 120 days from the date of the Dispute Notice. A copy of the ADR Notice should be sent to CEDR. Unless otherwise agreed between the parties, the mediation will start not later than 30 days after the date of the ADR Notice.
- 20.2. The commencement of mediation shall not prevent the parties commencing or continuing court proceedings in relation to the Dispute under Condition 20.1.1, which Condition shall apply at all times.
- 20.3. Without prejudice to any other rights or remedies the Company may have under the Contract (including, without limitation under Condition 12) or otherwise, where there is a dispute raised by the Buyer over payment of the Price and/or other charges paid or payable by the Buyer to the Company, the parties shall use their reasonable endeavours to resolve this within 10 days of the dispute being raised.
- 20.4. English Law shall govern the construction and operation of the Contract and the Buyer agrees to submit to the exclusive jurisdiction of the English Courts (including in relation to any non-contractual obligations).
- 20.5. Either party may seek specific performance, interim or final injunctive relief or any other relief of similar nature or effect in any court of competent jurisdiction.

Annex 1 Definitions and Interpretation

In these Conditions the following words shall have the following meanings (unless the context otherwise requires):

"Acknowledgement of Order"	means the Company's acknowledgement of the Buyer's Purchase Order for Goods and/or Services which is clearly labelled as an Acknowledgment of Order;
"Buyer"	means any person, firm or company at whose request Goods and/or Services are being supplied by the Company and whose details are set out on the Acknowledgement of Order;
"Cancellation Form"	the Company's "Customer Request to Cancel Form" which is available from the Company on request;
"Conditions"	means these terms and conditions of sale;
"Contract"	means the contract between the Company and the Buyer for the sale and purchase of Goods and/or Services which shall be formed in accordance with Condition 2.1.
"Goods"	means any goods or replacement goods and including any part of parts of them and any software (where applicable), supplied to the Buyer by the Company under a Contract.
"Group"	in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company.
"Insolvent"	means where a party: <ul style="list-style-type: none">(a) gives notice under section 84 Insolvency Act 1986 of or proposes or passes a resolution for, its winding up (save for the purpose of a solvent reconstruction or amalgamation previously approved in writing by the other party);(b) has a winding-up order or a notice of striking off made in respect of it;(c) has an administration order or an application for an administration order made in respect of it; or(d) has a notice of appointment of an administrator or a notice of intention to appoint an administrator filed in respect of it at any court;(e) proposes, makes or is subject to:<ul style="list-style-type: none">(i) a company voluntary arrangement(ii) a composition with its creditors generally(iii) an application to a court of competent jurisdiction for protection from its creditors generally; or(iv) a scheme of arrangement under Part 26 Companies Act 2006 (save in the latter case for the purpose of a solvent reconstruction or amalgamation previously approved in writing by the other party);(f) has a receiver or a provisional liquidator appointed over any of its assets, undertaking or income;(g) ceases to trade or appears, in the reasonable opinion of the other party, to be likely to cease to trade;(h) is unable to pay its debts as they fall due; or(i) Has a value of its assets less than its liabilities, including its contingent and prospective liabilities;(j) is the subject of anything analogous to the foregoing under the laws of any applicable jurisdiction; or

- (k) is the subject of any proceeding in any Member State of the European Union which is capable of recognition under the EC Regulation on Insolvency Proceedings (EC 1346/2000); or
- (l) is the subject of an application for the recognition of a foreign insolvency proceeding under the Cross-Border Insolvency Regulations 2006 (SI 2006/1030).

“Intellectual Property Rights”	means patents, utility models, rights in and to inventions, copyright and neighbouring and related rights (including but not limited to copyright in computer software and/or code, and topography rights), moral rights, rights of publicity, trade marks, service marks, business names, domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, imprints, database rights, rights to use and protect the confidentiality of confidential information (including know-how and trade secrets), and all other intellectual property rights or interests, 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.
“Loss”	loss of profit (direct or indirect); loss of revenue, loss of production or loss of business (in each case whether direct or indirect); loss of goodwill, loss of reputation or loss of opportunity (in each case whether direct or indirect); loss of anticipated saving or loss of margin (in each case whether direct or indirect); loss of use of (whether complete or partial) or damage to the Goods or any other property or equipment (whether direct or indirect); liability of the Buyer to third parties (whether direct or indirect); or any indirect, consequential or special loss, costs, damages, charges or expenses.
“Price”	the price(s) set out in the Company’s Acknowledgement of Order for the relevant Goods and/or Services under the Contract.
“Purchase Order”	means the Buyer’s order for the supply of Goods and/or Services.
“Services”	means any work (and any part of such work) to be performed by the Company under a Contract including (without limitation) preparation of documentation, assembly, manufacturing, machining, Airworthiness Qualification, repair, overhaul, processing, reworking, testing, reconditioning, recalibration, modification, replacement, obsolescence re-design and support.
“Software Licence”	means the licence terms set out in Appendix 2.

Unless the context otherwise requires:

- (i) References to any statutory provision shall be construed as references to such provision as amended, consolidated or re-enacted (without substantial amendment) from time to time;
- (ii) the headings are for convenience only and shall not affect construction of these Conditions;
- (iii) words in the singular include the plural and in the plural include the singular;
- (iv) a reference to one gender includes a reference to the other gender;
- (v) the words “include”, “includes”, “including”, “in particular” or any similar words shall be construed without limitation; and
- (vi) the rule known as the ejusdem generis rule shall not apply.

Annex 2 Software Licence

1. Software Licence

- 1.1 In consideration of the Price paid by the Buyer to the Company, the Company grants to the Buyer a non-exclusive, irrevocable licence (subject to the remainder of this Software Licence) commencing on and including delivery of the Goods to use the Software with the Goods.
- 1.2 In relation to scope of use:
- (a) for the purposes of paragraph 1.1 clause , use of the Software shall be restricted to use of the Software in object code form for the purpose of using the Goods for the normal business purposes of the Buyer; and
 - (b) except as expressly stated in paragraph 1.2(a), the Buyer has no right (and shall not permit any third party) to copy, adapt, reverse engineer, decompile, disassemble, modify, adapt or make error corrections to the Software in whole or in part.
- 1.3 The Buyer shall not:
- (a) sub-license, assign or novate the benefit or burden of this licence in whole or in part;
 - (b) allow the Software to become the subject of any charge, lien or encumbrance; and
 - (c) deal in any other manner with any or all of its rights and obligations under this Software Licence,
- without the prior written consent of the Company, such consent not to be unreasonably withheld or delayed.
- 1.4 The Company may at any time sub-license, assign, novate, charge or deal in any other manner with any or all of its rights and obligations under this Software Licence.
- 1.5 The Buyer shall:
- (a) ensure that the Software is installed on and used in conjunction with the Goods only;
 - (b) notify the Company as soon as it becomes aware of any unauthorised use of the Software by any person;

2. Company's warranties

- 2.1 The Software is provided "as is".
- 2.2 Company does not warrant that the use of the Software will be uninterrupted or error-free.
- 2.3 The Buyer accepts responsibility for the selection of the Software to achieve its intended results and acknowledges that the Software has not been developed to meet the individual requirements of the Buyer.
- 2.4 All other conditions, warranties or other terms which might have effect between the parties or be implied or incorporated into this Software Licence or any collateral contract, whether by statute, common law or otherwise, are hereby excluded, including the implied conditions, warranties or other terms as to satisfactory quality, fitness for purpose or the use of reasonable skill and care.

3. Intellectual property rights

- 3.1 The Buyer acknowledges that all Intellectual Property Rights in the Software belong and shall belong to the Company or the relevant third-party owners (as the case may be), and the Buyer shall have no rights in or to the Software other than the right to use it in accordance with the terms of this Software Licence.

4. Termination

- 4.1 This Software Licence will terminate when the Contract terminates.
- 4.2 On termination for any reason:
- (a) all rights granted to the Buyer under this Software licence shall cease;
 - (b) the Buyer shall cease all activities authorised by this Software Licence;
 - (c) the Buyer shall immediately destroy or return to the Company (at the Company's option) all copies of the Software then in its possession, custody or control and, in the case of destruction, certify to the Company that it has done so.