

GRIFFITHS AERO LTD T/A MARILAKE AERO SYSTEMS

Standard Terms & Conditions of Sale.

1. **Scope**

- a) The terms and conditions of sale contained herein apply to all quotations made and purchase orders entered into by the seller and shall prevail over any inconsistent terms or conditions contained or referred to in the buyer's order or in correspondence or elsewhere or implied by trade custom practice or course of dealing, unless specifically agreed to in writing by the Managing Director of the seller irrespective of whether the buyer accepts these conditions by written acknowledgement or by implication or by acceptance of a payment for the goods ordered hereunder. The seller's failure to object to provisions contained in any communications from the buyer shall not be deemed to be a waiver of the provisions contained herein.
- b) A quotation by the seller does not constitute an offer and the Seller reserves the right to withdraw or amend the same at any time prior to the Seller's acceptance of the Buyer's order. All orders or contracts must be approved and accepted by the seller at its United Kingdom Head Office.
- c) These terms and conditions of sale shall be applicable whether or not they are attached to or enclosed with the products or servicing to be sold or serviced hereunder.

2. **Prices**

The Seller shall have the right at any time prior to delivery to increase the prices payable for the Products ordered by the Buyer. To take account of increases in costs including, without limitations, the costs of any goods or materials, labour or overheads, the increase or imposition of any tax or duty or other levy and any variations in exchange rates.

3. **Terms of Payment**

- a) All accounts are payable on demand from the Seller without any deductions or set-off and in any case not later than 30 days after the date of invoice regardless of the goods acceptance procedures used by the Buyer.
- b) The Seller reserves the right to charge interest on overdue accounts at the rate of two per cent per month on the due account to run from the due date for payment until receipt by the Seller of the due amount whether or not after judgement.

4. **Taxes**

Unless otherwise specifically provided herein, the amount of any present or future sales, revenue, excise or other tax applicable to the products ordered by the Buyer of the manufacture or sale thereof shall be added to the purchase price and shall be paid by the Buyer. Or in lieu thereof the Buyer shall provide the Seller with a Tax Exemption Certificate acceptable to the taxation authorities.

5. **Delivery**

- a) The Seller reserves the right to make deliveries of product types or services in instalments and the contract shall be severable as to each instalment. Delay in delivery or other default of any instalment of any one or more product types or services shall not relieve the Buyer of its obligation to accept and pay for the remaining deliveries.
- b) Delivery dates mentioned in the quotation or acceptance forms or elsewhere are approximate only and not of contractual effect and the Seller shall not be under any liability to the Buyer in respect of any failure to deliver on a particular date or day. If delivery shall not have taken place within a reasonable time, the Seller's liability shall be limited to the value of the products specified in the Seller's quotation.
- c) If the Buyer refuses or fails to take delivery of products tendered in accordance with the Contract, the Seller shall be entitled to immediate payment in full for the Products so tendered. The Seller shall be entitled to store at the risk of the Buyer any products of which the Buyer refuses to take delivery, and the Buyer shall in addition to the purchase price pay all costs of such storage and any additional costs of testing and carriage incurred as a result of such refusal or failure.

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- d) The Product shall unless delivered by the Seller's own transport or by Carrier on behalf of the Seller, will be deemed to have been delivered and the risks therein passed to the buyer upon their transfer to the Carrier by the Buyer.
- e) Where the products are to be delivered by a Carrier on behalf of the Seller, the risk therein shall pass to the Buyer upon delivery. The Seller shall advise the Buyer of the scheduled date of despatch of the Products and unless the Buyer notifies the Seller in writing within seven days the Seller shall not be liable for any loss or damage to the Products in transit nor for failure of the Products to be delivered and such Products shall be deemed to have been delivered in good order and condition.

6. **Title**

Whilst the risk in the Products shall pass to the Buyer on delivery, title thereto shall only pass to the Buyer upon payment in full of the price together with any and all other sums owing and/or due to the Seller of whatsoever nature. Until such payments the Buyer shall store the Products in such ways as to show clearly that they are the property of the Seller provided that the Buyer may buy and sell and deliver the Products to a third party in the ordinary course of the Buyer's business on condition that until such payments as aforesaid the Buyer had the fiduciary duty to account to the Seller for the proceeds. The Buyer hereby assigns all rights and claims which the Buyer may have against its customers arising from such sales to third parties until payment is made in full as aforesaid. Where the products are combined by the Buyer with other items or material the resulting items shall be deemed to be the absolute property of the Seller subject to and the terms aforesaid. The Seller reserves the right to repossess any of the Products to which it has title hereunder. Nothing in this condition shall confer any right upon the Buyer to return the goods sold hereunder or to refuse or delay payment therefore unless otherwise agreed.

7. **Third Party Rights**

The Buyer shall hold the seller harmless against any expense or loss resulting from infringement of patent or Trade Marks arising from the compliance with the Buyer's design or specification or instructions. The sale of Products by the Seller does not convey any licence, by implication or otherwise, under patent claims covering combinations of the said Products with other devices or elements.

8. **Assignment**

The Buyer shall not assign his order or any interest therein or any rights thereunder without the prior written consent of the Seller.

9. **Variations**

The Seller shall be deemed to have fulfilled his contractual obligations through the quantity delivered to the Buyer may be up to five per cent more or less than then the quantity specified in the Contract and in such an event the Buyer shall pay for the actual quantity delivered. This condition shall not derogate from the right of the Seller to deliver Products in instalments contained in Condition 5 sub paragraph (a) hereof.

10. **Acceptance.**

The Seller shall not be liable for any shortage or defect in the goods delivered unless notice thereof shall have been given in writing within seven days of the date of delivery. If the Buyer shall fail to notify the Seller within the said period, the Buyer shall be deemed to have accepted the shipment in question.

11. **Payment and Termination.**

- a) If, in the judgement of the Seller, the financial condition of the Buyer at the time does not justify continuation of production or shipment in terms of payment originally specified, the Seller may suspend delivery and require full or partial payment in advance.

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- b) Each shipment made by the Seller pursuant to the Contract shall be considered an independent transaction and payment therefore shall be made accordingly. In the event that any work covered by the Buyer's order is delayed by the Buyer, the Seller shall be immediately entitled to payment of a percentage of the total price equal to the percentage of the work actually carried out by the Seller.
- c) If the Buyer enters into a Deed of Arrangement or commits an act of bankruptcy or compounds with his creditors or if a receiving order is made or (being a company) it shall pass a resolution or the Court shall make an order that the Buyer shall be wound up (otherwise than for the purpose of amalgamation or reconstruction) or if a Receiver shall be appointed in any of the assets or undertakings of the Buyer or if circumstances shall arise which entitles the Court or a Creditor to appoint a Receiver or Manager or which entitles the Court to make a winding up order or if the Buyer takes or suffers any similar action in consequence of a debt or commits any breach of the Contract, the Seller may stop any goods in transit and suspend further deliveries and by notice in writing to the Buyer may forthwith determine the Contract without prejudice to the licence granted to the Seller's servant and agents under Condition 6 herein and any existing claim which the Seller may have against the Buyer in the event of any such termination as aforesaid, the Seller shall be entitled to a cancellation charge in accordance with Condition 12 hereof.

12. Handling Charges.

- a) Cancellation – If the Buyer wishes to cancel an order which the Seller has acknowledged the Seller shall accept such cancellation upon payment by the Buyer of an amount to fifteen percent of the total invoice value of the Products concerned.
- b) Extension of Deliveries – The Seller shall at the request of the Buyer extend the delivery schedule for any order upon payment by the Buyer of a handling charge equivalent to ten percent of the income value of the Products concerned.

13. Force Majeure

The Seller shall not be liable to the Buyer for any loss or damage which may be suffered by the Buyer as a direct result of the supply of the Products by the Seller being prevented, hindered or delayed or rendered uneconomic by reason of any circumstances which are outside the control of the Seller.

14. Waiver

The Failure by either party to the Contract to exercise or enforce any rights conferred by the Contract shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.

15. Notices

Any notice hereunder shall be in permanent readable form and shall be deemed properly addressed if addressed to the party concerned at its principal place of business or last known address.

16. Warranty

- a) The Seller warrants that all products supplied will be supplied in accordance with the manufacturers warranty Terms & Conditions if applicable.
- b) The Seller warrants that the repair/overhaul or modification on all products repaired/overhauled/modified will be free from defects in workmanship for a period of 180 days from the date of the goods Release Note.
- c) If a Product fails after delivery due to a defect in workmanship within the above warranty period, the Seller will, at his option, repair or replace the Product. This is the limit of any liability accepted by the Seller.

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- d) If a Product fails after deliver, during the above warranty period due to a fault in materials used during manufacture or modification, the Seller's liability is limited to passing onto the Buyer any benefit available from the material suppliers. The cost of the repair to replace the faulty material, if not recoverable from the material supplier, will be the responsibility of the Buyer.
- e) In order to benefit from this warranty, the Buyer must return the faulty goods, duty and freight paid to the Seller's factory complete with an official Purchase Order stating that warranty is claimed, the reason for rejection and the date and serial number of the original Seller's Release Note.
- f) If the Seller finds that when a unit is returned for warranty repair, extra work not covered by the warranty is required to make the unit serviceable, this work will be carried out at the same time as the warranty repair and charged to the Buyer.

17. Software

Where Software is supplied by the Seller to the Buyer, the Software is supplied on licence and subject to the Seller's Standard Software Licence terms and current from time to time. Copyright and all other intellectual property rights in the Software remain the property of the Seller and the Software may not be copied, reproduced, modified or transferred to any third party by the Buyer without the full approval of the Seller in writing.

18. Governing Law

The contract of sale in all respects shall be governed and interpreted in accordance with the Laws of England.

19. Export Orders

In addition to the foregoing terms and conditions, the provisions of this Contract shall apply in the case of export orders. Where any of the following provisions are inconsistent with any of such foregoing terms and conditions or any part or parts thereof the following provisions will prevail:-

(a) Delivery

- (1) The price is quoted for delivery FOB the Seller's factory. The term "FOB" shall have the same meaning as is contained in INCOTERMS (1953) and as such meaning shall apply as if expressly incorporated herein except as any part of the same may be inconsistent with any of the provision contained in these conditions.
- (2) The risk in the products shall pass to the Buyer upon delivery to at the FOB point.
- (3) The Seller shall be under no obligation to give to the Buyer the notice specified in Section 32(3) of the Sale of Goods Act 1983.
- (4) All Payments shall be made by cheque drawn on an English bank or by BACS to the sellers designated bank account.
- (5) The Seller shall not be obliged to despatch the products until such time as it has satisfied that the payment has been established in accordance with the provisions hereof. If payment shall not have been established by the Buyer within a period of thirty days, the Seller shall be entitled to store the products at the risk of the Buyer and the Buyer shall in addition to the purchase price pay all costs of such storage and any additional cost of carriage incurred as a result of the Buyer's delay in establishing payment. In the event that the payment shall not have been established within three months of the date of acceptance of the Buyer's order by the Seller, the Seller shall be entitled by notice in writing to the Buyer to terminate the contract. Such termination shall be without prejudice to any claim which the Seller may have against the Buyer whether for breach of contract or otherwise.
- (6) Import and Export Licences and Consents. If any licence or consents of any government or other authority shall be required for the acquisition or use of the Products by the Buyer the Buyer shall obtain the same at it's own expense and if necessary or so required produce evidence of the same to the Seller on demand.

