

GROVELEY PRECISION ENGINEERING LIMITED
SELLING CONDITIONS

1 Definitions and Interpretations

1.1 In these Conditions the following words have the following meanings:

“Company” means Groveley Precision Engineering Limited (Company Registration Number 4653522).

“Customer” means the person(s), firm, company or corporation who purchases the Goods and/or Services from the Company;

“General Equipment Warranty” means a general warranty granted by the Company to the Customer for its Goods as set out in its separate General Equipment Warranty document;

“Goods” means any goods agreed in the Order to be supplied to the Customer by the Company (including any part or parts of them);

“Incoterms” means the international rules for the interpretation of trade terms of the International Chamber of Commerce 2000 edition;

“Order” means any contract between the Company and the Customer for the supply of Goods and/or provision of Services, resulting from a purchase order placed by the Customer which is accepted by the Company;

“Services” means any Services agreed in the Order to be provided to the Customer by the Company (including any part or parts of them).

1.2 In these Conditions references to a gender include every gender, reference to persons include an individual, company, corporation, firm or partnership and reference to the singular include the plural and vice versa as the context admits or requires.

1.3 Headings are for ease of reference only and shall not affect the construction of these Conditions.

2 Basis of Order

2.1 Subject to any variation under Condition 2.2 the Order will be subject to these Conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Customer purports to apply under any purchase order, confirmation of order, specification or other document whatsoever and whenever).

2.2 Any variation to these Conditions and any representations about the Goods or Services shall have no effect unless expressly agreed in writing by a duly authorised representative of the Company.

2.3 Each purchase order for Goods or Services by the Customer from the Company shall be deemed to be an offer by the Customer to purchase Goods or Services subject to these Conditions.

- 2.4 The Company reserves the right to decline any purchase order placed by the Customer. No purchase order placed by the Customer shall be deemed to be accepted by the Company until a written acknowledgement of such order is issued by the Company. Any purchase order shall be accepted entirely at the discretion of the Company.
- 2.5 The Customer undertakes and agrees that all marks and numbers on the Goods shall not be removed, altered or tampered with in any way.
- 2.6 The Customer shall ensure that the terms of its purchase order are complete and accurate.
- 2.7 The Customer can only cancel an Order (or any part of an Order) which the Company has already accepted, with the Company's prior agreement in writing and provided that the Customer indemnifies the Company in full in terms established by the Company.

3 Description and Specification of the Goods and Services

- 3.1 The description and/or specification of the Goods and/or Services shall be set out in the Company's quotation or, in its absence, the Company's acknowledgement of order.
- 3.2 All drawings, descriptions, weights, dimensions and other specifications and advertising issued by the Company (whether in the Company's catalogues, price lists, quotations, tenders or otherwise) are issued or published for the sole purpose of giving an approximate idea of the Goods or Services described in them and they will not form part of the Order unless expressly agreed in the Order or otherwise agreed in writing. Minimum Order Quantities (MOQ's), where necessary, will be applied at the Company's discretion.
- 3.3 The Customer shall satisfy itself that the Goods or Services are suitable for the Customer's use or application.

4 Delivery and Acceptance of Goods

- 4.1 Unless otherwise agreed in writing by the Company delivery of the Goods in the UK shall take place:
 - (a) in the case of goods delivered in the Company's own vehicles, on delivery to the premises designated by the Customer; and
 - (b) in all other cases on delivery to the carrier.
- 4.2 Unless otherwise agreed in writing by the Company delivery of the Goods outside the UK shall take place:
 - (a) to the agent or carrier designated by the Customer; or
 - (b) FCA (Incoterms 2000) to the carrying vessel or aircraft.

Any dates specified by the Company for delivery of the Goods are intended to be an estimate only and time for delivery shall not be of the essence. The Company shall not be liable for delays or refusals in the granting of export licences or the suspension or revocation thereof.

- 4.3 If for any reason the Customer does not accept delivery of any of the Goods when they are ready for delivery, or the Company is unable to deliver the Goods on time because the Customer has not provided appropriate instructions, documents, licences or authorisations then the Goods will be deemed to have been delivered, risk passing to the Customer (including for loss or damage caused by the Company's negligence) and the Company may:
- (a) store the Goods until actual delivery whereupon the Customer will be liable for all related costs and expenses (including without limitation storage and insurance); or
 - (b) sell the Goods at the best price readily obtainable and (after deduction of all reasonable storage and selling expenses) charge the Customer for any shortfall below the Order price.
- 4.4 For deliveries in the UK, all Goods are consigned to the Customer's designated address and the Customer will provide at its expense at the place of delivery adequate and appropriate equipment and manual labour for unloading the Goods.
- 4.5 The Customer must advise the Company and the carrier, if applicable, in writing of any damage to or loss from any consignment not later than 7 days after delivery. In the case of non-delivery of Goods despatched within the UK, the Customer must advise the Company in writing of the non-delivery within 21 days after the date of despatch. The Company will not be responsible for any claims if this Condition is not complied with and the carrier refuses a claim.
- 4.6 The Company shall be entitled at its discretion to make delivery of the Goods by instalments and to invoice the Customer for each instalment individually. Where the Goods are to be delivered in instalments, each delivery shall constitute a separate contract and failure by the Company to deliver any one or more of the instalments in accordance with these Conditions or any claim by the Customer in respect of any one or more instalments shall not entitle the Customer to treat the Order as a whole as repudiated or to refuse to accept subsequent instalments.
- 4.7 The quantity of any consignment of Goods as recorded by the Company upon despatch from the Company's place of business shall be deemed conclusive evidence of the quantity received by the Customer on delivery unless the Customer can prove otherwise.
- 4.8 The Customer will be deemed to have accepted the Goods as being in accordance with the Order unless:
- (a) within 14 days of the date of delivery of the Goods, the Customer notifies the Company in writing of any failure of the Goods to conform with the Order (which would be apparent upon reasonable inspection and testing of the Goods within 14 days); or
 - (b) the Customer notifies the Company in writing of any failure of the Goods to conform with the Order within a reasonable time where the defect or failure would not be so apparent within 14 days of the date of delivery,
- failing which the Customer shall not be entitled to reject the Goods and the Company shall have no liability for such defect or failure, and the Customer shall be bound to pay the price as if the Goods had been delivered in accordance with the Order.
- 4.9 Goods, once delivered, may not be returned unless their return is agreed in advance in writing by the Company, and subject to the following conditions:

- (a) Goods are returned in a new and unused condition;
 - (b) Any packaging remains unbroken and in reasonable condition;
 - (c) Returns are made within 3 weeks of delivery of those Goods, all transport and other re-delivery costs of whatever nature paid by the Customer; and
 - (d) Returned Goods shall be accompanied by a written record of invoice number, date and a note of reasons for their return.
- 4.10 The Company will not be liable for any loss (including loss of profit), costs, damages, charges or expenses caused directly or indirectly by any delay in the delivery of the Goods (even if caused by the Company's negligence), nor will any delay entitle the Customer to terminate or rescind the Order.
- 4.11 The Company shall only be liable for any non-delivery of Goods (even if caused by the Company's negligence) if the Customer gives written notice to the Company within 7 days of the date when the Goods would, in the ordinary course of events, have been delivered.
- 4.12 If the Customer gives notice to the Company in accordance with Condition 4.11, the liability of the Company for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or issuing a credit note at the pro rata Order rate against any invoice raised for such Goods.

5 Passing of Risk and Title

- 5.1 The risk in Goods shall pass to the Customer on delivery in accordance with Condition 4.1.
- 5.2 Full legal, beneficial and equitable title to and property in the Goods shall remain vested in the Company (even though they have been delivered and risk has passed to the Customer) until:
- (a) payment in full, in cash or cleared funds, for all the Goods has been received by the Company; and
 - (b) all other money payable by the Customer to the Company on any other account or under the Order or any other order has been received by the Company.
- 5.3 Until full legal, beneficial and equitable title to and property in the Goods passes to the Customer:
- (a) the Customer shall hold the Goods on a fiduciary basis as the Company's bailee;
 - (b) the Customer shall store the Goods at its premises in a proper manner in conditions which adequately protect and preserve the Goods and shall insure them, without any charge to the Company, and not tamper with any identification upon the Goods or their packaging and shall ensure that they are stored separately from any other goods (whether or not supplied by the Company) and are clearly identifiable as belonging to the Company and the Company shall be entitled to examine any such Goods in storage at any time during normal business hours upon giving the Customer reasonable notice of its intention to do so;

- (c) the Company may at any time, on demand and without prior notice, require the Customer to deliver the Goods up to the Company and the Company may repossess and resell the Goods if any of the events specified in Condition 13 occurs or if any sum due to the Company from the Customer under the Order or on any other account or under any other contract is not paid when due;
- (d) for the purposes of this Condition 5 the Company, its employees, agents and sub-contractors will be entitled to free and unrestricted access to any premises owned, occupied or controlled by the Customer and/or any other location where any of the Goods are situated at any time without prior notice;
- (e) the Company shall be entitled to maintain an action against the Customer for the price of the Goods notwithstanding that legal, equitable and beneficial title to and property in the Goods has not passed to the Customer; and
- (f) the Company hereby authorises the Customer to use and/or sell the Goods in the normal course of the Customer's business and to pass good title in the Goods to its customers, if they are purchasers in good faith without notice of the Company's rights. This right shall automatically cease on the occurrence of any event set out in Condition 13 and/or if any sum owed to the Company by the Customer is not paid when due. If the Customer sells the Goods prior to paying the full price thereof the Customer shall hold the proceeds of sale on trust for the Company and shall immediately pay the proceeds of the sale into a separate bank account. At the Company's request, the Customer shall assign to the Company all claims that the Customer may have against purchasers of the Goods from the Customer.

5.4 The Company's rights and remedies set out in this Condition 5 are in addition to and shall not in any way prejudice, limit or restrict any of the Company's other rights or remedies under the Order or in law or equity.

6 Provision of Services

6.1 Where the Company is to perform Services at the Customer's premises, the Customer shall procure safe access to the premises and the provision of adequate power, lighting, heating and other such facilities or supplies for the Company's employees or agents in accordance with the demands of any applicable legislation and as the Company shall reasonably require.

6.2 The Services will be deemed to be completed and the relevant element of the Order price to be due and payable forthwith

- (a) when the Company issues a written notice to the Customer confirming such completion; or
- (b) if the Company is available to perform the Services but is prevented from doing so by reason of:
 - (i) the lack of relevant assistance from the Customer (such as lack of availability of test components or parts from the Customer); and/or
 - (ii) the condition of the Customer premises on the site at which the Services are to be provided and/or the facilities at or the services available therein at the time agreed for the provision of the Services.

7 Order Price

- 7.1 The prices given by the Company to the Customer are believed to be accurate, however, the Company reserves the right to correct, where necessary, any errors before a purchase order from the Customer is accepted.
- 7.2 In respect of Goods delivered or Services provided, the price charged shall be the price that is current at the date of despatch for the Goods and/ or provision of Services by the Company.
- 7.3 Unless otherwise agreed in writing the price for the Goods and/or Services shall be exclusive of any value added tax or other similar taxes or levies and all costs or charges in relation to packaging, labelling, loading, unloading, carriage, freight and insurance all of which amounts the Customer will pay, where appropriate, in addition when it is due to pay for the Goods and/or Services.

8 Payment Terms

- 8.1 The Company reserves the right to revise payment terms at any time without notice and to request guarantees, security or cash in advance for the Goods or Services. The Company may, at its discretion, and without giving a reason, refuse or limit deferred payment terms to any Customer.
- 8.2 Payment of the price for the Goods and/or Services is due 30 days after the end of the month of the date of the Company's invoice unless agreed in writing with the customer.
- 8.3 Time for payment shall be of the essence.
- 8.4 No payment shall be deemed to have been received until the Company has received the correct amount in cleared funds.
- 8.5 Notwithstanding any other provision, all payments payable to the Company under the Order shall become due immediately upon termination of this Order for whatever reason.
- 8.6 The Customer shall make all payments due under the Order without any deduction whether by way of set-off, withholding, counterclaim, discount, abatement or otherwise .
- 8.7 If any sum due from the Customer to the Company under the Order or any other order is not paid on or before the due date for payment then all sums then owing by the Customer to the Company shall become due and payable immediately and, without prejudice to any other right or remedy available to the Company, the Company shall be entitled to:
- (a) cancel or suspend its performance of the Order or any other order including suspending deliveries of the Goods and suspending delivery of any other goods to the Customer and suspending provision of the Services or other services until arrangements as to payment or credit have been established which are satisfactory to the Company and the time for performance of the Order shall be extended accordingly;
 - (b) appropriate any payment made by the Customer to such of the Goods or such of the Services (or any goods or services supplied under any other order between the Customer and the Company) or as the Company may think fit;

- (c) require the Customer to pay for Goods prior to their despatch or collection from the Company's place of business;
- (d) charge the Customer:
 - (i) interest calculated on a daily basis on all overdue amounts (both before and after judgment) until actual payment at the rate of eight per cent (8%) per annum above the official dealing rate prevailing from time to time until payment is made in full;
 - (ii) reasonable debt recovery costs as set out in the Late Payment of Commercial Debts (Interest) Act 1998; and
 - (iii) the cost of obtaining judgment or payment to include all reasonable professional costs (including legal fees) and other costs of issuing proceedings or otherwise pursuing a debt recovery procedure.

9 Warranty

- 9.1 Unless a specific equipment warranty is expressly agreed in writing by the Company, the Company's warranty of the Goods and Services is as set out in the Company's General Equipment Warranty, which is available on request.
- 9.2 In the case of materials or products supplied by the Company which are not of its manufacture the Company will where possible grant to the Customer the benefit of any warranty whether express statutory or otherwise it has received from its supplier.
- 9.3 The Company shall be under no liability under the warranty referenced at Condition 9.1 above:
 - (a) in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Company's instructions (whether oral or in writing), misuse or alteration or repair of the Goods without the Company's approval;
 - (b) until the total price for the Goods or Services has been received in the correct amount in cleared funds
 - (c) for any Goods manufactured or appropriated to the Order in accordance with any design, specification, instruction or recommendation made to the Company by the Customer or for any Services provided in accordance with specifications, instructions or recommendation issued by the Customer;
 - (d) in respect of any type of defect, damage or wear specifically excluded by the Company by notice in writing; or
 - (e) if the Customer makes any further use of the Goods after giving notice in accordance with Clause 9.2.
 - (e) if component parts not manufactured or authorised by the Company are used by the Customer within the Company's Goods. Using such unauthorised parts will nullify all warranties for all Goods and any associated Goods

9.4 The warranties set out in these Conditions are the only warranties which shall be given by the Company and all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the Order.

10 Exclusion and Limitation of Liability

- 10.1 These Conditions set out the entire liability of the Company (including any liability for the acts or omissions of its sub-contractors) in respect of any breach of these Conditions or the Order and any representation, statement or tortious act or omission including negligence arising under or in connection with the Order.
- 10.2 Nothing in these Conditions shall exclude or limit the Company's liability for death or personal injury caused by the Company's negligence or for fraudulent misrepresentation or for any liability that cannot legally be excluded or limited.
- 10.3 THE COMPANY SHALL NOT BE LIABLE FOR ANY ECONOMIC LOSS OF WHATEVER NATURE (WHETHER OR NOT SUCH LOSS OR DAMAGE WAS FORESEEN, DIRECT, FORESEEABLE, KNOWN OR OTHERWISE), INCLUDING LOSS OF ANTICIPATED PROFITS, LOSS OF ACTUAL PROFITS (DIRECT OR INDIRECT), LOSS OF ANTICIPATED SAVINGS, LOSS OF BUSINESS, OR FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGE HOWSOEVER CAUSED OR ANY LOSSES ARISING AS A RESULT OF ANY THIRD PARTY BRINGING A CLAIM IN RESPECT OF ANY NATURE WHATSOEVER.**
- 10.4 NOTWITHSTANDING CLAUSES 10.1 - 10.3 ABOVE THE TOTAL AGGREGATE LIABILITY OF THE COMPANY ARISING OUT OF, OR IN CONNECTION WITH THE PERFORMANCE OR CONTEMPLATED PERFORMANCE OF THIS ORDER WHETHER FOR NEGLIGENCE OR BREACH OF CONTRACT OR ANY CASE WHATSOEVER SHALL IN NO EVENT EXCEED THE PRICE PAID BY THE CUSTOMER FOR THE GOODS OR SERVICES GIVING RISE TO THE CUSTOMER'S CLAIM.**
- 10.5 The price of the Goods and/or Services has been calculated on the basis that the Company will exclude or limit its liability as set out in these Conditions and the Customer by placing an order agrees and warrants that the Customer shall insure against or bear itself any loss for which the Company has excluded or limited its liability in these Conditions and the Company shall have no further liability to the Customer.
- 10.6 The Company takes no responsibility for the Customer's property. The Company shall not be liable for any loss or damage arising out of any defect in or the unsuitability of any material or property supplied by the Customer. The Customer shall indemnify the Company against all claims costs or any other liability arising out of such defects or unsuitability.
- 10.7 NOTWITHSTANDING ANY OTHER PROVISION OF THE ORDER, THE COMPANY SHALL HAVE NO LIABILITY FOR THE USE OF PARTS NOT MANUFACTURED BY OR AUTHORISED BY THE COMPANY. THE PERSON OR FACILITY PLACING SUCH UNAUTHORISED PARTS IN ANY OF THE COMPANY'S PRODUCTS WILL ASSUME ANY AND ALL PRODUCT LIABILITY RESULTING FROM THE INCORPORATION OF THE UNAUTHORISED PARTS AND ALL PROPERTY DAMAGE OR PERSONAL INJURY RESULTING FROM THE UNAUTHORISED PART BOTH FOR THAT PRODUCT, AND ANY OTHER FITTED TO THE AIRCRAFT OR ENGINE.**

11 Subcontracting, Assignment and Third Party Rights

- 11.1 The Customer shall not be entitled to assign, charge, subcontract or transfer the Order or any part of it without the prior written consent of the Company.
- 11.2 The Company may assign, charge, subcontract or transfer the Order or any part of it to any person.
- 11.3 A person who is not a party to the Order (including without limitation any employee, officer, agent, representative or sub contractor of either party) shall not have any right to enforce any term of the Order which expressly or by implication confers a benefit on that person without the express prior agreement in writing of the Company and the Customer.
- 11.4 Without prejudice to the intention of the parties to give no rights to the third parties under the Order, any term of the Order can be varied and the Order can be cancelled or terminated without the consent of any third party who might benefit from its terms or have enforceable rights under the Order.

12 Force Majeure

- 12.1 The Company reserves the right to defer the date of delivery or to cancel the Order or reduce the volume of the Goods or Services ordered by the Customer (without liability to the Customer) if it is prevented from or delayed in the carrying on of its business and its obligations under the Order due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials provided that, if the event of force majeure continues for a continuous period in excess of 3 months, Company may terminate the Order by giving written notice to the Customer.
- 12.2 If the Company is unable to supply all of the Goods to the Customer due to an event of force majeure as set out in clause 12.1 above, the Company shall have the right to allocate its available supply among its customers as deemed fair and equitable in the circumstances.

13 Breach of Contract and Insolvency

- 13.1 The Company may, as it thinks fit, (without prejudice to any other rights or remedies it may have against the Customer) immediately suspend further performance of the Order or cancel any outstanding provision of the Services or delivery of the Goods or stop any Goods in transit or by notice in writing to the Customer terminate the Order without liability to the Company if:
- (a) the Customer commits a material breach of any of its obligations under the Order which is incapable of remedy;
 - (b) the Customer fails to remedy a breach of its obligations under the Order (except as to payment) which is capable of remedy, or persists in any breach of any of its obligations under the Order after having been requested in writing by the Company to remedy or desist from such breach within a period of 14 days;
 - (c) any sum payable under the Order is not paid in accordance with the Order;

- (d) any distress execution or diligence is levied upon any of the Customer's goods or property and is not paid out within 7 days or it being levied;
- (e) the Customer (being a partnership) or the Customer's partner offers to make any arrangements with or for the benefit of the creditors of the Customer or the Customer's partner generally or there is presented in relation to the Customer or the Customer's partner a petition of bankruptcy;
- (f) the Customer (being a limited company) is deemed to be unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or the Customer calls a meeting for the purpose of passing a resolution to wind up its company, or such a resolution is passed or the Customer presents or has presented a petition to wind up or present or have presented a petition to appoint an administrator or have an administrative receiver or receiver appointed to the whole or any part of the Customer's business, undertaking, property or assets;
- (g) the Customer ceases, or threatens to cease, to carry on business; or
- (h) the Company reasonably believes that any of the events specified in Condition 13.1 (a) to (g) above is about to occur in relation to the Customer.

13.2 Notwithstanding any such termination or suspension in accordance with Conditions 12 or 13.1 above the Customer shall pay the Company at the Order rate for all Goods delivered or Services provided up to and including the date of suspension or termination. The Company may also levy a reasonable cancellation charge for any Goods that the Customer has ordered which are in the process of being manufactured or are awaiting delivery to the Customer. The termination of the Order or any purchase order for whatever reason shall not affect the rights or remedies of either party in respect of any antecedent breach or in respect of any such owing or to become owing to the other.

14 Exhibitions

14.1 The Customer agrees that it will not exhibit the Company's Goods, advertisements or price lists relating to any of the Company's Goods or Services without the written consent of the Company.

15 Notices

15.1 Any notice given under this Order shall be in writing and delivered by first class, special delivery or international registered post to the address of the party specified in this Order, or such other address as is notified to the other party from time to time

16 General

- 16.1 Any intellectual property rights (including, without limitation, patents, registered and unregistered designs, trade marks and service marks (registered or not) and copyright and any applications for them) in the Goods or Services or in any moulds, tools, designs, drawings, or production data owned by the Company or created by the Company in the course of the performance of the Order or otherwise used in the manufacture of the Goods or the provision of the Services shall remain the Company's property unless otherwise expressly agreed by the Company. Nothing in the Order shall be deemed to have given the Customer a licence or any other right to use any of the intellectual property rights of the Company unless otherwise expressly agreed by the Company.
- 16.2 Nothing in the Order shall create, or be deemed to create a partnership or joint venture or relationship of employer and employee or principal and agent between the parties.
- 16.3 The rights and remedies of either party in respect of the Order shall not be diminished, waived or extinguished by the granting of any indulgence, forbearance or extension of time granted by such party to the other nor by any failure of, or delay by the said party in ascertaining or exercising any such rights or remedies. The waiver by either party of any breach of the Order shall not prevent the subsequent enforcement of that breach and shall not be deemed to be a waiver of any subsequent breach of that or any other provision.
- 16.4 If at any time any one or more of the Conditions of the Order (or any sub-Condition or paragraph or any part of one or more of these Conditions) is held to be or becomes void or otherwise unenforceable for any reason under any applicable law, the same shall be deemed omitted from the Order and the validity and/or enforceability of the remaining provisions of the Order shall not in any way be affected or impaired as a result of that omission.
- 16.5 The Order sets out the entire agreement and understanding between the Customer and the Company in connection with the sale of the Goods and provision of the Services and shall supersede and replace all documentation previously issued by the Company purporting to set out its terms and conditions of sale of the Goods.
- 16.6 Both the Company and the Customer shall each keep confidential and shall not, without the prior written consent of the other, disclose to any third party or otherwise make public the terms or existence of the Order or any other confidential or sensitive information of the other party.

17 Law and Jurisdiction

- 17.1 The Order and any dispute or claim arising out of or in connection with it shall be governed by and be construed in all respects in accordance with English law.
- 17.2 All disputes or claims arising out of or relating to the Order shall be subject to the non-exclusive jurisdiction of the English courts to which the parties irrevocably submit.