



## Terms and Conditions of Purchasing for Landlocked Aviation Services (LL)

### 1. INTERPRETATION

1.1 In these Conditions: "LL" means Landlocked Aviation Services Inc. LL and the Seller conclude the Contract and shall incorporate these Conditions save where (and to the extent) expressly provided to the contrary or the context necessity requires);

"Conditions" means the standard terms and conditions of purchase set out herein, as updated by LL from time to time, and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Seller and LL.

"Contract" means the contract for the sale and purchase of the Goods and/or the supply and acquisition of the Services, which are the subject matter of the Order.

"Delivery Address" means the address stated on the Order.

"Goods" means the goods (including any instalment of the goods or any part of them) described in the Order.

"Order" means the order form or comparable document or arrangement (whether electronic or not) and whether or not affixed, attached or annexed.

"Payment run date" means the next date on which LL will carry out its monthly payment of invoices, which have fallen due in the previous month.

"Price" means the price of the goods and/or the charge for the services.

"Seller" means the person so described in the Order.

"Services" means the services (if any) described in the Order.

"Specification" includes any plans, drawings, data or other information relating to the goods or services.



"Working day" means any day which is not a Saturday, Sunday or USA public holiday.

"Writing" includes any written or permanent form and any form of electronic communication complying with the requirements of the Electronic Communications Act 2000, or the Electronic Signatures in Global and National Commerce Act (ESIGN), as applicable.

1.2 Any Reference in these Conditions to a statute or a provision of statute as a reference to that statute or provision as amended, re-enacted or extended at the relevant time.

1.3 The headings in these Conditions are for convenience only and shall not affect their interpretation.

## **2. BASIS OF PURCHASE AND SERVICE**

2.1 The Order, where completed or accepted by LL and the Seller, constitutes an offer by LL to purchase the Goods and/or acquire the Services subject to these Conditions and an acceptance by the Seller to sell the Goods and/or supply the Services subject to these Conditions.

2.2 The Conditions shall apply to the Contract to the exclusion of any other terms and Conditions on which any quotation has been given to LL or subject to which the Order is accepted or purported to be accepted by the Seller.

2.3 No variation to the Order or these Conditions shall be binding unless agreed in Writing between the authorised representatives of LL and the Seller.

2.4 All records required to be generated by a purchase order, contract or any other seller specification will be retained by the Seller for a minimum of 10 years from the date of acceptance by LL. Unless notified prior to that time, the Seller shall contact LL for disposition action to be taken at the end of the 10 year period. All records regarding the items purchased by LL on the relevant purchase order must be maintained in the English language.

2.5 The terms and conditions of a Contract shall take precedence over these Conditions to the extent they directly conflict.

2.6 For aircraft maintenance contracted within the United States of America, Sellers shall comply with 14 CFR Part 121.377 Maintenance and Preventive Maintenance Duty Time Limitations.



### **3. SPECIFICATION**

3.1 The quantity, quality and description of the Goods and the Services shall, subject as provided in these Conditions, be as specified in the Order and/or in any applicable Specification supplied by LL to the Seller or agreed in Writing by LL.

3.2 Any Specification supplied by LL to the Seller, or specifically produced by the Seller for LL, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of LL. The Seller shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or as required for the purpose of the Contract.

3.4 The Seller shall not unreasonably refuse any request by LL to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to dispatch, and the Seller shall provide LL with all facilities reasonably required for inspection and testing.

3.5 If, as a result of inspection or testing LL is not satisfied that the Goods will comply in all respects with the Contract, and LL so informs the Seller within 7 (seven) days of inspection or testing, the Seller shall take such steps as are necessary to ensure compliance.

3.6 The Goods shall be marked in accordance with LL's instructions and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

3.7 The Seller shall provide and maintain a quality program in accordance with ISO 9001 or equivalent QMS Standard. The Quality Assurance representative must approve any deviation or waiver to this requirement.

3.8 All calibrated tooling shall be traceable to NIST or other nationally recognized standard prior to return or sale to LL.

### **4. PRICE OF THE GOODS AND SERVICES**

4.1 The Price of the Goods and Services shall be stated in the Order and, unless otherwise stated, shall be:



- (a) Inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any sales taxes, duties, imports or; and
- (b) Inclusive of professional services withholding tax as per current legislation.

4.2 No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuations in rates of exchange or otherwise) without the consent of LL in Writing.

4.3 LL shall be entitled to any discount for prompt payment or bulk purchase customarily granted by the Seller whether or not shown on its own terms and conditions of sale.

## **5. TERMS OF PAYMENT**

5.1 The Seller shall be entitled to invoice LL at any time after delivery of the Goods or performance of the Services, as the case may be and each invoice shall quote the number of the Order.

5.2 Unless otherwise stated in the Order, LL shall pay the Price of the Goods and the Services within 30 days of receipt by LL of a proper invoice or, if later, on the next Payment Run Date after acceptance of the Goods or Services in question by LL.

5.3 LL shall be entitled to offset against the invoice any sums owed to LL by the Seller.

## **6. DELIVERY**

6.1 The Goods shall be delivered to, and the Services shall be performed at, the Delivery Address on the date or within the period stated in the Order (as the case may be), in either case during LL's usual business hours.

6.2 Where the date of delivery of the Goods or performance of the Services is to be specified after the placing of the Order, the Seller shall give LL reasonable notice of the specified date.

6.3 The time of delivery of the Goods and performance of the Services is of the essence of the Contract.

6.4 A packing note quoting the number of the Order must accompany each delivery or consignment of the Goods and must be displayed prominently.



6.5 If the Goods are to be delivered, or the Services are to be performed by instalments, the Contract will be treated as a single Contract and not severable.

6.6 LL shall be entitled to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until LL has had a reasonable amount of time (having regard to the nature and quality of the Goods and in any event being not less than 2 Working Days) to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent.

6.7 The Seller acknowledges that precise conformity of the Goods with the Contract is of the essence of the Contract, and accordingly LL shall be entitled to reject the Goods if they are not in conformity with the Contract, however slight the breach may be.

6.8 The Seller shall supply LL in good time with any instructions or other information required to enable LL to accept delivery of the Goods and performance of the Services.

6.9 LL shall not be obliged to return to the Seller any packaging or packing material for the Goods, whether or not any Goods are accepted by LL.

6.10 If the Goods are not delivered or the Services are not performed on the due date then, without limiting any other remedy, LL shall be entitled to deduct from the Price or (if LL has paid the Price) to claim from the Seller by way of liquidated damages for delay 2% of the Price for every week's delay.

## **7. RISK AND PROPERTY**

7.1 Risk of damage to or loss of the Goods shall pass to LL upon delivery to LL in accordance with the Contract.

7.2 The property in the Goods shall pass to LL upon delivery, unless payment for the Goods is made prior to delivery, whereupon it shall pass to LL once payment has been made and the Goods have been appropriated to the Contract.

## **8. WARRANTIES AND LIABILITIES**

8.1 The Seller warrants to LL that the Goods (a) will be of merchantable quality (within the meaning of the Sale of Goods Act 1893 (as amended), or UCC Section 2-314, as applicable) and fit for any purpose held out by the Seller or made known to the Seller in Writing at the time the Order is placed; (b) will be



free from defects in design, material and workmanship; (c) will correspond with any relevant Specification or sample; (d) shall be delivered with good title, free from any security interest, lien or encumbrance, and (e) will comply with all statutory and U.S or E.U. requirements and regulations relating to the sale of the Goods.

8.2 The Seller warrants to LL that the Services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of practice as it is reasonable for LL to expect in all circumstances.

8.3 Without prejudice to any other remedy, if any Goods or Services are not supplied or performed in accordance with the Contract then LL shall be entitled: (a) to require the Seller to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within seven days; or (b) at LL sole option and whether or not LL has previously required the Seller to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid.

8.4 The Seller shall indemnify LL and its agents in full against all liability, loss, costs and expenses (including legal expenses) awarded against or incurred or paid by LL as a result of or in connection with: (a) any breach of any warranty given by the Seller in relation to the Goods or Services; (b) any claim that the Goods infringe or their importation, use or resale, infringes the patent, copyright, design rights, trade mark or other intellectual property rights of any other person except to the extent that the claim arises from compliance with any Specification supplied by LL; (c) any liability under the Liability for Defective Products Act 1991, or similar law, in respect of the Goods; (d) any act or omission of the Seller or its employees, agents or subcontractors in supplying, delivering and/or installing the Goods; and (e) any act or omission of the Seller's personnel in connection with the performance of the Services.

8.5 Neither the Seller nor LL or its agents shall be liable to the other or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of its obligations in relation to the Goods or Services, if the delay or the failure is beyond that party's reasonable control. Without prejudice to the generality of the foregoing, any of the following shall be regarded as causes beyond either party's reasonable control:

- (a) Act of God, explosion, flood, tempest, fire or accident;
- (b) war or threat of war, sabotage, insurrection, civil disturbance or requisition;
- (c) acts, restrictions, regulations, bylaws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;



- (d) import or export regulations or embargoes;
- (e) strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of either the Seller or LL or of a third party);
- (f) difficulties in obtaining raw materials, labour, fuel, parts or machinery; or
- (g) power failure or breakdown in machinery.

8.6 For the avoidance of doubt, the contractual rights which LL enjoys by virtue of Sections 12, 13, 14 and 15 of the Sale of Goods Act 1893 (as amended) and Section 39 of the Sale of Goods and Supply of Services Act 1980 are in no way prejudiced by anything contained in these Conditions.

## **9. TERMINATION**

9.1 LL shall be entitled to cancel the Order in respect of all or part only of the Goods and /or the Services by giving notice to the Seller at any time prior to delivery or performance, in which event LL's sole liability shall be to pay to the Seller the Price for the Goods or Services in respect of which LL has exercised its right of cancellation, less the Seller's total net saving of cost arising from cancellation.

9.2 LL shall be entitled to terminate the Contract without liability to the Seller by giving notice to the Seller at any time if: (a) the Seller has entered into any composition or arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an examination order or an administrative order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or (b) an encumbrancer takes possession of or a receiver, manager or other similar officer is appointed in respect of, the whole or any material part of any of the property or assets of the Seller; or (c) the Seller ceases, or threatens to cease, to carry on business; or (d) LL reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly; or (e) An event contemplated at clause 8.5 occurs.

## **10. INSURANCE; ACCIDENTS**

10.1 The Seller shall at all times maintain adequate levels and such types of insurance as are appropriate to the nature of its business.

10.2 In the event that any of the Seller's employees, servants, agents or subcontractors are involved in any accident at any LL premises, the Seller shall immediately notify LL of the occurrence of the accident and as soon as practicable thereafter, the Seller will submit to LL a report of the accident in such form and containing such particulars as LL may require.



## **11. GENERAL**

11.1 LL may perform any of its obligations or exercise any of its rights hereunder by itself or through any of its subsidiaries, provided that any act or omission of any such other subsidiary shall be deemed to be the act or omission of LL.

11.2 The Order is personal to the Seller and the Seller shall not assign or transfer or purport to assign or transfer to any other person any of its rights, or sub-contract any of its obligations under the Contract.

11.3 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

11.4 No waiver by LL of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.

11.5 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.

11.6 Any dispute arising under or in connection with these Conditions or the sale of the Goods shall be referred to arbitration by a single arbitrator appointed by agreement between the parties or (in default of agreement between the parties within 15 days of one party requesting a matter be referred to arbitration).





11.7 The Contract (including this Clause 12.7) shall be governed by and construed in all respects in accordance with the laws of the USA and the parties hereby submit to the exclusive jurisdiction of the US Courts.

11.8 The Seller shall provide right of access to LL and their customers and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

11.9 The Seller is expected to develop, implement, and maintain effective methods and processes appropriate to their products to minimize the risk of introducing counterfeit material. In addition, the Seller shall provide notification to LL or any other recipients of counterfeit material(s) when warranted. If suspect or counterfeit material(s) are furnished under this purchase order or are found in any of the material delivered here under, such items will be quarantined and then ultimately be destroyed by LL. The Seller shall promptly replace such counterfeit material(s) with material acceptable to LL. The Seller shall be fully liable for all associated costs.

11.10 LL will reserve the right to conduct surveillance visits to any of the Seller's premises to confirm that the Seller's quality systems meets that of LL's requirements as well as any quality standards requirements applicable to (ISO/AS) latest revisions. Entry shall provide access to quality systems documentation and quality records as well as the ability to conduct audits and verify product and processes.

Note: Attendees of such surveillance visits may include LL, regulatory bodies, or a representative of LL.

11.11 The Seller is expected to develop, implement, and maintain effective policies and training programs to ensure their employees are aware of their relevant contribution to the quality, safety and conformity of their products and or services the Seller will ensure that the material will be free of foreign object debris.

11.12 Seller acknowledges and agrees that LL requires that the Seller maintain a high standard of ethical conduct in all its dealings with LL. The Seller, where requested, shall provide evidence of ethical behaviour not limited to anti-bribery, anti-child labour, anti-slavery and whistle blowing.