



Aerospace Inspection Training Malta Ltd.
Non Destructive Testing Services

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TERMS AND CONDITIONS FOR THE SUPPLY OF NON-DESTRUCTIVE TESTING SERVICES

The Customer's attention is particularly drawn to the provisions of clause 9. 1. INTERPRETATION

1.1 Definitions. In these Conditions, the following definitions apply:

Applicable Laws and Regulations: means all laws, rules and regulations which impose legal, regulatory or other requirements in respect of any of the activities which the Supplier undertakes as part of the Services.

Approved Purchase Order: has the meaning set out in clause 2.2(c).

Business Day: a day (other than a Saturday, Sunday or public holiday) when banks in Malta are open for business.

Charges: the charges payable by the Customer for the supply of the Services in accordance with clause 5.

Commencement Date: has the meaning set out in clause 2.4.

Conditions: these terms and conditions as amended from time to time in accordance with clause 15.5.

Contract: the contract between the Supplier and the Customer for the supply of Services in accordance with these Conditions.

Customer: the person or firm who purchases Services from the Supplier.

Customer Resources: the resources, facilities, equipment, testing blocks, probes and other materials (if any) specified in the Approved Purchase Order which are to be provided by the Customer in order to enable the Supplier to provide the Services.

Limit of Aviation Products Liability: €10,000,000.

Order: the Customer's order for Services as set out in the Customer's purchase order.

Records: has the meaning given in clause 7.1.

Regulatory Authority: means any Maltese, or EU governmental or other regulatory body having jurisdiction over the subject matter of the Contract.

Services: the services supplied by the Supplier to the Customer as set out in the Approved Purchase Order.

Site: the site at which the Services are to be supplied as set out in the Approved Purchase Order.

Supplier: Aerospace Inspection Training Malta Limited registered in Malta with company number C776692 and TM-CAD Part 145 Approval MT.145.13.

Supplier's Personnel: the Supplier's employees, agents, consultants and subcontractors engaged by it in the supply of the Services.

1.2 Construction. In these Conditions, the following rules apply:

- (a) a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its successors or permitted assigns;
- (c) a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- (d) any phrase introduced by the terms **including, include, in particular** or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

- (e) a reference to **writing** or **written** includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 The Order constitutes an offer by the Customer to purchase Services in accordance with these Conditions.

2.2 The Supplier shall review the Order promptly upon receipt whereupon the Supplier may at its discretion:

- (a) accept the Order and commence the supply of the Services in accordance with these Conditions; or
- (b) liaise with the Customer in order to agree upon any issues arising from the Order that the Supplier wishes resolved before it is able to accept the Order; or
- (c) reject the Order.

2.3 If the Supplier accepts the Order in accordance with clause 2.2 the Order shall be the Approved Purchase Order. If the Customer and Supplier reach agreement as to the issues arising from the Order in accordance with clause 2.2(b) the Supplier shall confirm the terms agreed in writing to the Customer (**Order Confirmation**) in which case the Order as so varied by the Order Confirmation shall be the Approved Purchase Order. If there shall be any conflict or discrepancy between the Order and the Order Confirmation the Order Confirmation shall prevail.

2.4 The Order shall only be deemed to be accepted when:

- (a) the Supplier accepts the Order and commences the supply of the Services in accordance with clause 2.2; or,
- (b) the Supplier issues its Order Confirmation in accordance with clause 2.2(c)

at which point and on which date the Contract shall come into existence (**Commencement Date**).

2.5 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.

2.6 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.7 Any quotation given by the Supplier shall not constitute an offer, and is only valid for a period of 20 Business Days from its date of issue.

3. SUPPLY OF SERVICES

3.1 The Supplier shall supply the Services to the Customer in accordance with the Approved Purchase Order in all material respects.

3.2 The Supplier shall use all reasonable endeavours to meet any performance dates specified in the Approved Purchase Order, but any such dates shall be estimates only and time shall not be of the essence for performance of the Services.

3.3 The Supplier shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services, and the Supplier shall notify the Customer in any such event.

3.4 The Supplier warrants to the Customer that the Services will be provided using reasonable care and skill.

4. CUSTOMER'S OBLIGATIONS

4.1 The Customer shall:

- (a) ensure that the terms of the Approved Purchase Order are complete and accurate;

AEROSPACE INSPECTION TRAINING MALTA LIMITED.

C776692

Aerospace Inspection Training Malta Limited

TERMS AND CONDITIONS FOR THE SUPPLY OF NON-DESTRUCTIVE TESTING SERVICES

- (b) co-operate with the Supplier in all matters relating to the Services;
- (c) provide the Supplier's Personnel with full and unrestricted access to and use of the Customer Resources;
- (d) ensure that all testing equipment and parts therefor (including probes and testing blocks) comprised in the Customer Resources are fully functioning, free from defects and correctly and accurately calibrated;
- (e) where applicable, provide the Supplier's Personnel with full and unrestricted access to and use of the Site and such facilities at the Site as are reasonably required by the Supplier in order to supply the Services including without limitation:
- (i) full details of all applicable health and safety, security and other regulations in force from time to time at the Site;
 - (ii) all equipment (such as cherry pickers and scissor lifts) required for the Supplier's Personnel to work at height together with the appropriately qualified and experienced personnel required to operate such equipment in accordance with all Applicable Laws and Regulations; and,
 - (iii) all vehicles required for the Supplier's Personnel to gain access to the Site from the public road together with the appropriately qualified and experienced personnel required to operate such vehicles in accordance with all Applicable Laws and Regulations;
- (f) provide the Supplier with such information as the Supplier may reasonably require in order to supply the Services, and ensure that such information is accurate in all material respects;
- (g) obtain and maintain all necessary licences, permissions and consents which may be required before the date on which the Services are to start; and,
- (h) save and to the extent only that such compliance is the responsibility of the Supplier under the Contract, comply and procure compliance with all Applicable Laws and Regulations or the requirements of any Regulatory Authority.
- 4.2 If the Supplier's performance of any of its obligations under the Contract is prevented or delayed by any act or omission by the Customer or failure by the Customer to perform any relevant obligation (**Customer Default**):
- (a) the Supplier shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Customer remedies the Customer Default, and to rely on the Customer Default to relieve it from the performance of any of its obligations to the extent the Customer Default prevents or delays the Supplier's performance of any of its obligations;
 - (b) the Supplier shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from the Supplier's failure or delay to perform any of its obligations as set out in this clause 4.2; and
 - (c) the Customer shall reimburse the Supplier on written demand for any costs or losses sustained or incurred by the Supplier arising directly or indirectly from the Customer Default.
5. **CHARGES AND PAYMENT**
- 5.1 The Charges for the Services shall be on a time and materials basis and, unless and to the extent otherwise agreed in writing by the Supplier:
- the Charges shall be Supplier's estimated charges or, where no charges have been estimated (or the Supplier's estimated charges are no longer valid), the Supplier's standard charges current at the Commencement Date;
- (a) the Supplier shall be entitled to charge the Customer for the use of all testing equipment and parts therefor (including probes and testing blocks) required by the Supplier in order to supply the Services; and
 - (b) the Supplier shall be entitled to charge the Customer for any other expenses reasonably incurred by the Supplier's Personnel in connection with the Services including, but not limited to, travelling expenses, hotel costs, subsistence and any associated expenses, and for the cost of services and equipment provided by third parties and required by the Supplier for the performance of the Services, and for the cost of any materials.
- 5.2 Where a contract stating fixed prices with the Customer is in place, the Supplier reserves the right to increase its standard daily fee rates, provided that such charges cannot be increased more than once in any 12 month period. The Supplier will give the Customer written notice of any such increase not less than four months before the proposed date of the increase. If such increase is not acceptable to the Customer, it shall notify the Supplier in writing within two weeks of the date of the Supplier's notice and the Supplier shall have the right without limiting its other rights or remedies to terminate the Contract by giving two weeks' written notice to the Customer.
- 5.3 Unless otherwise agreed in writing by the Supplier, the Supplier shall be entitled to invoice the Customer at such time or times as it considers appropriate.
- 5.4 Unless otherwise agreed in writing by the Supplier, the Customer shall pay each invoice submitted by the Supplier:
- (a) within 30 days of the date of the invoice; and
 - (b) in full and in cleared funds to a bank account nominated in writing by the Supplier, and time for payment shall be of the essence of the Contract.
- 5.5 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable for the time being (**VAT**). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services at the same time as payment is due for the supply of the Services.
- 5.6 If the Customer fails to make any payment due to the Supplier under the Contract by the due date for payment, then the Customer shall pay interest on the overdue amount at the rate of 8% per cent per month. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.
- 5.7 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding (except for any deduction or withholding required by law). The Supplier may at any time, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Supplier to the Customer.
6. **INTELLECTUAL PROPERTY RIGHTS**
- 6.1 All Intellectual Property Rights in or arising out of or in connection with the Services shall be owned by the Supplier.
- 6.2 The Customer acknowledges that, in respect of any third party Intellectual Property Rights, the Customer's use of any such Intellectual Property Rights is conditional on the Supplier obtaining a written licence from the relevant licensor on such terms as will entitle the Supplier to license such rights to the Customer.
7. **RECORDS**
- 7.1 The Supplier shall keep complete, accurate and up-to-date records of all activities carried out by it in relation to and for the purposes of providing the Services and as required for compliance by the Customer or the Supplier with all Applicable Laws and Regulations or the requirements of any Regulatory Authority (**Records**).
- 7.2 The Supplier shall supply the Customer with copies of all Records in a form reasonably required by the Customer and at the intervals agreed in writing between the Customer and the Supplier, and otherwise within 20 Business Days of the Customer's written request for a copy of such Records.
- 7.3 The Supplier shall at the request of the Customer and upon reasonable notice allow duly authorised representatives of the Customer, any Regulatory Authority, or the Customer's external auditors to inspect, copy and/or audit the Records and/or the manner of provision of the Services and to enter upon the Supplier's premises for these purposes during normal working hours under the supervision of the Supplier for the purpose of confirming compliance with all Applicable Laws and Regulations or the requirements of any Regulatory Authority. The Supplier shall provide the Customer, the Regulatory Authority in question or the Customer's external auditors with such

Aerospace Inspection Training Malta Limited

TERMS AND CONDITIONS FOR THE SUPPLY OF NON-DESTRUCTIVE TESTING SERVICES

- further assistance as they may reasonably require, provided that it does not materially affect the Supplier's ability to provide the Services in the normal course.
- 7.4 If the inspection identifies areas where the Supplier is not in compliance with all Applicable Laws and Regulations or the requirements of any Regulatory Authority, the Supplier shall forthwith rectify the failure and take the necessary steps to ensure its future compliance with them.
- 8. CONFIDENTIALITY**
- A party (**receiving party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (**disclosing party**), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 8 shall survive termination of the Contract.
- 9. LIMITATION OF LIABILITY:**
THE CUSTOMER'S ATTENTION IS PARTICULARLY DRAWN TO THIS CLAUSE
- 9.1 Nothing in these Conditions shall limit or exclude the Supplier's liability for:
- (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;
 - (b) fraud or fraudulent misrepresentation; or
- 9.2 Subject to clauses 9.3 and 9.4, the Supplier will under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, arising under or in connection with the Contract and/or the provision by the Supplier of the Services for:
- (a) any loss of profits, sales, business, or revenue;
 - (b) loss or corruption of data, information or software;
 - (c) loss of business opportunity;
 - (d) loss of anticipated savings;
 - (e) loss of goodwill; or
 - (f) any indirect or consequential loss.
- 9.3 The Supplier shall have no liability to the Customer for any loss, damage, costs, expenses or other claims for compensation arising from any fault of the Customer.
- 9.4 Subject to clauses 9.1, 9.2 and 9.3, the Supplier's total liability to the Customer in respect of all other losses arising under or in connection with the Contract and/or the provision by the Supplier of the Services, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall be limited:
- (a) in the case of damage to any property of the Customer, to €1,500,000 per claim or series of connected claims; and,
 - (b) in respect of all other claims (connected or unconnected) in any consecutive 12 (twelve) month period to:
 - (i) the equivalent of the total of all Charges paid by the Customer in that period; or
 - (ii) the Limit of Liability whichever is the greater.
- 9.5 This clause 9 shall survive termination of the Contract.
- 10. TERMINATION**
- 10.1 Without limiting its other rights or remedies, either party may terminate the Contract by giving the other party 3 months' written notice.
- 10.2 Without limiting its other rights or remedies, either party may terminate the Contract with immediate effect by giving written notice to the other party if:
- (a) the other party commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within 14 days of that party being notified in writing to do so;
- (b) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company or limited liability partnership) is deemed unable to pay its debts or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing or (being a partnership) has any partner to whom any of the foregoing apply;
 - (c) the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than (where a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
 - (d) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party;
 - (e) the other party (being an individual) is the subject of a bankruptcy petition or order;
 - (f) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
 - (g) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
 - (h) the holder of a qualifying floating charge over the assets of that other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
 - (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
 - (j) any event occurs or proceeding is taken with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 10.2(b) to clause 10.2(i) (inclusive);
 - (k) the other party suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business;
 - (l) the other party's financial position deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
 - (m) the other party (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.
- 10.3 Without limiting its other rights or remedies, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment and fails to pay all outstanding amounts within 7 days after being notified in writing to do so.
- 10.4 Without limiting its other rights or remedies, the Supplier may suspend provision of the Services under the Contract or any other contract between the Customer and the Supplier if the Customer becomes subject to any of the events listed in clause 10.2(b) to clause 10.2(m), or the Supplier reasonably believes that the Customer is about to become subject to any of them, or if the Customer fails to pay any amount due under this Contract on the due date for payment.
- 11. CONSEQUENCES OF TERMINATION** On termination of the Contract for any reason:
- (a) the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in

Aerospace Inspection Training Malta Limited

TERMS AND CONDITIONS FOR THE SUPPLY OF NON-DESTRUCTIVE TESTING SERVICES

- respect of Services supplied but for which no invoice has been submitted, the Supplier shall submit an invoice, which shall be payable by the Customer immediately on receipt;
- (b) the accrued rights, remedies, obligations and liabilities of the parties as at expiry or termination shall be unaffected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry; and
- (c) clauses which expressly or by implication survive termination shall continue in full force and effect.
- 12. FORCE MAJEURE**
- 12.1 For the purposes of this Contract, **Force Majeure Event** means an event beyond the reasonable control of the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Supplier or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, pandemics, quarantines, fire, flood, storm or default of suppliers or subcontractors.
- 12.2 The Supplier shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.
- 12.3 If the Force Majeure Event prevents the Supplier from providing any of the Services for more than six weeks, the Supplier shall, without limiting its other rights or remedies, have the right to terminate this Contract immediately by giving written notice to the Customer.
- 13. ASSIGNMENT AND OTHER DEALINGS**
- 13.1 The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party or agent.
- 13.2 The Customer shall not, without the prior written consent of the Supplier, assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract.
- 14. NOTICES.**
- 14.1 Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first class post or other next working day delivery service, commercial courier, fax or e-mail.
- 14.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 14.1; if sent by pre-paid registered post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, one Business Day after transmission.
- 14.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.
- 15. GENERAL**
- 15.1 Severance.**
- (a) If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.
- (b) If any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.
- 15.2 **Waiver.** A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.
- 15.3 **No partnership or agency.** Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, nor constitute either party the agent of the other for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.
- 15.4 **Third parties.** A person who is not a party to the Contract shall not have any rights to enforce its terms.
- 15.5 **Variation.** Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions, shall be effective unless it is agreed in writing and signed by the Supplier.
- 15.6 **Governing laws.** This Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the laws of Malta. In addition, should the Supplier decide to make an insurance claim under its Aviation Products Insurance Policy, each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims). This requirement is set by the Supplier's Aviation Products Insurance Provider.