

SHEARWATER AIRCRAFT LIMITED

Build No. _____

Terms & Conditions of Sale

BY THIS AGREEMENT

BETWEEN **SHEARWATER AIRCRAFT LIMITED** a company having its registered office at 2 Elizabeth Point Rd, Auckland, New Zealand.
(the "Seller")

AND **NAME OF BUYER:** (print) _____

(the "Buyer")

DATE _____

The Seller agrees to sell and the Buyer agrees to buy the goods referred to in Schedule 1 at the price stated in Schedule 2 to be delivered to the place stated in Schedule 3 at the time and manner stated in Schedule 4 for which payment is to be made at the time and manner stated in Schedule 5 and as set forth in this agreement and its other schedules.

The attached terms and conditions and schedules are accepted by the Buyer as comprising the terms of the Agreement for Sale and Purchase of goods between the Buyer and Seller.

SIGNED by the Buyer _____

Full Name: _____

Delivery address for Goods: _____

Address of Buyer for notices: _____

(physical, postal, fax, email)

This agreement is not binding on the Seller until signed by the Seller.

SIGNED by the Seller: _____

Name of person signing for the Seller: _____

Address of Seller for notices: Postal:

Private Bag 904, Victoria St West,
Auckland,
New Zealand 1142

Email: info@shearwateraircraft.com

SCHEDULE 1:	<p>GOODS</p> <p>One Shearwater 4 place amphibian aircraft Kitset, as detailed in the attached brochure.</p> <p>The Kitset will be packaged in a manner appropriate for the Kitset’s final delivery destination.</p>
SCHEDULE 2:	<p>PRICE</p> <p>ONE HUNDRED AND TWENTY NINE THOUSAND UNITED STATES DOLLARS (\$USD129,000.00) Nearest port to Buyers delivery address.</p> <p>(The Buyer is responsible for: the Buyer’s local taxes, duties and other charges to the Buyer’s delivery address.)</p>
SCHEDULE 3:	<p>PLACE OF DELIVERY</p> <p>Nearest port to requested delivery address in continental USA.</p>
SCHEDULE 4:	<p>DELIVERY: TIME & MANNER</p> <p>The Seller will deliver the Kitset in a single instalment.</p> <p>Estimated Delivery Date _____</p> <p>The delivery date in this agreement is an estimate only.</p> <p>CARRIER AS BUYER’S AGENT:</p> <p>If the Seller arranges for carriage of the goods from the place of delivery specified in Schedule 3 to the Buyer's delivery address, then the carrier shall be deemed to be the Buyer's agent.</p>
SCHEDULE 5:	<p>PAYMENT</p> <p>The Buyer must pay with cleared funds before delivery:</p> <p>(a) The Seller will withhold delivery of the goods until the Buyer has paid for them. Time for payment shall be of the essence.</p> <p>(b) The price specified in Schedule 2 is payable in three instalments:</p> <ol style="list-style-type: none"> 1. Deposit: \$USD10,000.00 payable immediately upon signing this purchase agreement. The deposit is fully refundable upon demand until the US\$60,000 installment is made. 2. \$USD60,000.00 due within ten days of notification that the kitset will be delivered in an estimated six months. 3. \$USD59,000.00 due on siting of the bill of lading. <p>Note: Deposits are held in a lawyers escrow account.</p> <p>MANNER OF PAYMENT</p> <p>Cleared funds in a mutually agreed form.</p>

1 AGREEMENT

- 1.1 The Seller agrees to sell and the Buyer agrees to buy the goods referred to in Schedule 1 at the price stated in Schedule 2 to be delivered to the place stated in Schedule 3 at the time and manner stated in Schedule 4 for which payment is to be made at the time and manner stated in Schedule 5 and as set forth in this agreement and its other schedules.

2 QUALITY

- 2.1 The Seller makes no representations whatsoever regarding ease of construction of the Kitset aircraft or ease of flying. All terms, conditions and warranties, implied or made expressly, whether by the Seller or its agents or employees or otherwise relating to the quality and/or fitness for purpose of the goods or any of the goods are excluded.
- 2.2 The Buyer undertakes that all necessary aviation authority inspections and certificates, applicable to the Buyer's region, will be obtained by the Buyer.
- 2.3 Clauses 2.1 – 2.3 survive any repudiation or cancellation of this contract by either party.

3 EXCLUSION OF LIABILITY AND INDEMNITY BY THE BUYER

- 3.1 The Seller excludes any liability whatsoever for any loss, damage, liability or bodily injury relating directly or indirectly to the supply and use of the goods supplied by the Seller. The Buyer indemnifies the Seller in respect of any third party claims relating to the goods sold herein.
- 3.2 The Buyer must not make any modification or substitution of any part of the Kitset without the prior written express approval of the Seller. If the Buyer makes any modification or substitution whatsoever without such express approval, the Buyer absolves the company from any liability regarding the operation of the aircraft and the Buyer will not register or associate the aircraft as the Seller's product.
- 3.3 The Buyer understands and agrees that all components of the aircraft, that are not supplied by the Seller, must satisfy all the requirements specified in the Kitset.
- 3.4 The Seller reserves the right to recommend revisions in the Kitset at any time without any liability to the Seller. The Buyer agrees to immediately make any recommended modifications to the Buyer's aircraft. The Seller excludes any liability whatsoever for any recommended revisions or modifications notified by the Seller.
- 3.5 Clauses 3.1 – 3.5 survive any repudiation or cancellation of this contract by either party.

4 RESTRICTIONS ON RESALE OF KITSET

- 4.1 The Buyer agrees not to assign and/or sell the Kitset unless the person to whom it is to be sold has executed a RESALE TERMS AND CONDITIONS AGREEMENT provided by the Seller.
- 4.2 The Buyer agrees not to copy, or to allow to be copied by any other person, the Kitset or its components.
- 4.3 Clauses 4.1 – 4.3 survive any repudiation or cancellation of this contract by either party.

5 PASSING OF RISK AND TRANSFER OF TITLE

- 5.1 The goods remain at the Seller's risk until the delivery to the Buyer at the place of delivery specified in Schedule 3. The title in the goods passes to the Buyer when the goods are delivered to the Buyer at the place of delivery specified in Schedule 3.

6 DELIVERY

- 6.1 The Seller delivering to a carrier at the place of delivery specified in Schedule 3 is deemed to be delivery to the Buyer.
- 6.2 A signature on a carrier's delivery advice sheet shall be deemed to signify receipt of the quantity of goods indicated on the advice sheet.
- 6.3 Delivery dates are an estimate only.

7 INSTALMENTS

- 7.1 If the Buyer refuses to pay as specified in Schedule 5, or take delivery as specified in Schedule 4, then the Seller at the Seller's sole discretion may repudiate the whole contract and retain the deposit plus interest.

8 THIS AGREEMENT PREVAILS

- 8.1 Where the terms of this agreement are at variance with the other documents relating to the order of the goods specified herein, this agreement shall prevail. Any usages of trade, special agreements, or course of dealings between the parties at variance with the terms of this agreement are excluded.

9 SEVERANCE

9.1 If any term of this agreement is illegal, invalid or unenforceable for any reason whatsoever including, but without limitation, legislation or other provisions having the force of law or any decision of any court or other body or authority having jurisdiction, such term will be deemed to be deleted from this agreement on condition that if either party considers that any such deletion substantially affects or alters the commercial basis of this agreement it may give notice in writing to the other to terminate this agreement immediately.

10 GOVERNING LAW AND INTERPRETATION

10.1 The headings are inserted for convenience and reference only and shall not affect the meaning or interpretation of this agreement.

10.2 The law of New Zealand shall apply to this agreement.

11 RESOLUTION OF DISPUTES

11.1 If the parties are unable to resolve any question, dispute or difference arising under this agreement, by discussion and negotiation, within forty five (45) days of receipt of written notice from either party that an issue exists, the parties must refer the question, dispute of difference to mediation. The mediation must be conducted by a mediator and at a fee agreed by the parties. If the dispute remains unresolved after the mediation, then the dispute must be submitted to the arbitration of a single arbitrator agreed on between the parties.