RICARDO Standard Terms AND Conditions for Supply of Services

1. Interpretation
   1. The words and phrases used in these Conditions shall have the following meanings:

**“Associated Company”** in relation to a party, any entity that directly or indirectly controls, is controlled by, or is under common control with that party from time to time;

**“Background IPR”** means all Intellectual Property Rights belonging to a party prior to the date of this Contract or developed outside the scope of the Services;

**“Client”** means the party named on the Proposal for whom Ricardo has agreed to provide the Services in accordance with these Conditions;

**"Client Input(s)”** means any goods, parts, materials, documents, data, information, services or support provided or approved by or required from the Client relating to the Services.

**“Conditions”** means the standard terms and conditions for the supply of the Services (including Clauses 1-16 and, if applicable, the Special Conditions) set out in this document and any other terms and conditions as set out in the Proposal;

**“Confidential Information”** means any information relating to a party or any of its Associated Companies and its or their technology, research, business, finance or affairs directly or indirectly disclosed by that party (**Disclosing Party**) to the other party (**Receiving Party**), whether in writing, visually or orally;

**“Contract”** means the contract between Ricardo and the Client for the provision of the Services which is made up of these Conditions and the Proposal;

**“Deliverables”** means the goods and other deliverables (if any and including any deliverables supplied in the course of performing the Services) which Ricardo is to supply to the Client in accordance with these Conditions as set out in the Proposal;

**“Force Majeure”** means events, circumstances or causes beyond a party’s reasonable control;

**“Intellectual Property Rights”** means all and any intellectual property rights of any kind and rights of a like nature wherever and whenever arising and whether registered or unregistered and including any patents, copyright, registered designs, design rights, topographic rights, database rights and rights in Confidential Information, trade marks, trade names, or service marks;

**“Price”** means the price for the Services as set out in the Proposal and any variations;

**“Proposal”** means any proposal of Ricardo setting out the Services and the Price;

"**Restricted Party**" means a person or entity that is listed on, or owned or controlled by a person listed on, any Sanctions List; or is subject to country-wide Sanctions or otherwise a target of Sanctions;

**“Ricardo”** means the Ricardo entity detailed in the Proposal as the contractor for the Contract;

"**Sanctions**" means any economic or trade sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by the US government, the UN, the EU, the UK, or the governmental institutions and agencies of any of the foregoing including the Office of Foreign Assets Control of the US Department of Treasury (“**OFAC**”), the US Department of State, and His Majesty’s Treasury (together the “**Sanctions Authorities**”);

"**Sanctions List**" means the Specially Designated Nationals and Blocked Persons list issued by OFAC or the Consolidated List of Financial Sanctions Targets issued by His Majesty’s Treasury, or any similar list issued or maintained or made public by any of the Sanctions Authorities;

**“Services”** means the services, including any Deliverables, to be provided by Ricardo for the Client as more particularly set out in the Proposal; and

**“Special Conditions”** means any special conditions as set out in these standard terms and conditions for the supply of the Services.

* 1. In these Conditions, unless the context otherwise requires:

A reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted and includes all subordinate legislation made from time to time;

a reference to: (i) a party includes its successors in title and permitted assigns; and (ii) a person includes any individual, corporate or unincorporated body;

the words "**includes**" or "**including**" shall be construed without limitation; and

headings are for the purposes of identification and reference only.

* 1. If there is a conflict between the Conditions and the Proposal, the Conditions shall take priority.

1. Application of these Conditions
   1. Ricardo shall provide and the Client shall purchase the Services in accordance with any Proposal, subject in each case to these Conditions which shall govern the Contract.
   2. These Conditions supersede and shall govern the Contract to the exclusion of all other terms and conditions contained or referenced in any purchase order or any other document submitted by the Client or subject to which any Proposal is accepted or purported to be accepted by the Client. No other terms or conditions shall be valid or binding upon the parties unless specifically agreed to in writing by the parties.
   3. The Client acknowledges and agrees that it shall be deemed to have accepted these Conditions if the Client requests Ricardo to provide the Services.
   4. Unless specified to the contrary in the Proposal, each Proposal submitted by Ricardo to the Client shall be open for acceptance for a period of thirty days from the date of the Proposal. Ricardo may withdraw any Proposal at any time prior to acceptance for any reason. If the Client requests Ricardo to provide the Services outside the validity period stated in the Proposal, Ricardo shall be entitled to vary the Proposal.
   5. No order submitted or Proposal accepted by the Client shall be deemed to be accepted by Ricardo unless and until confirmed in writing by Ricardo.
2. Services
   1. The Services and any assumptions on which the Services are to be provided by Ricardo to the Client are detailed in the Proposal. The Client must ensure the assumptions in the Proposal are correct. If any assumptions are incorrect, Ricardo may amend the Proposal (including the scope of work, the Price, timetable and any other matters).
   2. Ricardo may at any time make changes to the Services which are necessary to: (i) comply with applicable safety and/or other statutory requirements; or (ii) to address an actual or perceived conflict of interest, whether arising before or after the date of the Contract.
3. Timetable
   1. Unless otherwise stated in the Proposal, all dates for performance of the Services are approximate only and time for provision of the Deliverables shall not be of the essence.
4. Price and Payment
   1. The Price is exclusive of VAT and other sales taxes which shall be paid by the Client in addition to the Price.
   2. For Services performed on a fixed price basis, the price is set out in the Proposal.
   3. For Services performed on a time and material basis, Ricardo's daily fee rates are set out in the Specification and calculated on the basis of a 7.4-hour day, worked during normal business hours. Any Price in the Proposal or otherwise is a budgetary estimate only. If Ricardo incurs actual time in excess of the estimate, the parties will discuss a revised estimate in good faith. In any case, the Client shall pay for any actual time in performing the Services in excess of any agreed estimates.
   4. Ricardo will invoice the Client for the Price and other sums payable in accordance with the payment schedule in the Proposal. If there is no payment schedule, Ricardo may invoice monthly.
   5. The Client shall pay Ricardo within 30 days of the date of Ricardo’s invoice in full without set off or deduction and in the currency specified in the Proposal.
   6. If payment is not made on time, Ricardo may:

charge interest on the outstanding amount from day to day at the rate of 4% p.a. over the prime base lending rate of the Barclays Bank applying from time to time both before and after judgement in respect of all invoices outstanding from their due date until payment is actually received;

upon 14 days’ written notice suspend provision of the Services without liability to the Client until the outstanding amount is paid in full and the timetable and any other times agreed for the provision of the Services shall be amended accordingly; and/or

terminate the Contract in accordance with Clause 13.1.2.

1. Client’s Responsibilities
   1. The Client shall:

supply to Ricardo all Client Inputs required for the performance of the Services in accordance with the Proposal and otherwise from time to time as reasonably requested by Ricardo;

ensure the Client Inputs comply with applicable law and are accurate, safe and free from defects;

be responsible for taxes and duties that may apply to the provision of the Client Inputs and reimburse Ricardo for any such taxes and duties that may be levied against Ricardo;

provide instructions and feedback when requested to in a timely manner;

notify Ricardo promptly of any risk, safety issues or incidents arising in respect of the Client Inputs; and

comply with any other obligations in the Proposal relating to the Client Inputs or otherwise.

* 1. Ricardo shall not be responsible for any failure or delay in the performance of the Services that is caused by a failure or delay by the Client in performing its obligations in Clause 6.1.

1. Deliverables
   1. Unless otherwise specified in the Proposal, the Deliverables will be delivered Ex Works (Incoterms 2020) at Ricardo’s premises.
   2. Risk in the Deliverables shall pass to the Client on delivery. Title in the Deliverables shall pass upon payment of the Price in full.
2. Rights
   1. Each party will retain ownership of its Background IPR and any development to that Background IPR. Any other Intellectual Property Rights which a party (or its licensors) may develop or create during the execution of the Services shall belong to that party (or its licensors as the case may be).
   2. Upon the passing of title in the Deliverables to the Client, Ricardo shall grant the Client a non-exclusive, non-transferable, perpetual, royalty free licence to use the Intellectual Property Rights in the Deliverables solely in connection with the Deliverables solely for the purpose of receiving and using the Deliverables and not for any other purpose. No rights to sub-license are granted without Ricardo’s written consent.
   3. All logos, trade names or trade marks owned or used by a party in the course of its business (the "**Marks**") are the property of that party or its licensors. Each party may not use or permit the use of the other party’s Marks or any similar marks without the prior written permission of that other party.
   4. Ricardo may use all Intellectual Property Rights owned by the Client or subsisting in the Client Inputs for the purpose of performing the Services and for Ricardo’s internal purposes.
3. Warranties and Liability
   1. Ricardo warrants that:

it will perform the Services using reasonable skill and care and in accordance with good engineering practice and these Conditions;

no third party Intellectual Property Rights are known to Ricardo at the date of the Proposal which may be infringed by the Deliverables;

as far as Ricardo is aware at the date of the Proposal, Ricardo or one of the Associated Companies is the owner (or licensee) of the Intellectual Property Rights in the Deliverables and is free to transfer the Deliverables to the Client.

* 1. Subject to Clause 9.3, if:

the Client gives notice in writing to Ricardo within a reasonable time of discovery (and, at the latest, thirty (30) days following completion of the Services) that some or all of the Services and/or Deliverables do not comply with the warranty set out in Clause 9.1.1; and

the Client (if asked to do so by Ricardo) returns any Deliverables to Ricardo's place of business at the Client's cost,

Ricardo shall (at Ricardo’s option), either re-perform the Services (which may include the repair or replacement of any Deliverable) or refund the Price paid for the Services (if paid).

* 1. Ricardo shall not be liable for any failure of the Services and/or Deliverables to comply with the warranty set out in Clause 9.1.1 if:

the Client makes any further use of the Deliverables after giving a notice in accordance with Clause 9.2; or

the failure arises from a defect in, or failure or inadequacy of, any Client Input.

* 1. Except as set out in Clause 9.2, Ricardo shall have no liability to the Client in respect of any failure of the Services to comply with the warranty set out in Clause 9.1.1.
  2. If there is a breach of the warranty in Clause 9.1.2 and/or 9.1.3 above, Ricardo shall, as the Client’s sole remedy for such breach either (at Ricardo’s option):

procure the right for the Client to continue using the Deliverables; or

modify the Deliverables so that they become non-infringing without incurring a material diminution in performance or function; or

replace the Deliverables with non-infringing substitutes provided that such substitutes do not entail a material diminution in performance or function.

* 1. Ricardo shall not be in breach of the warranty at Clause 9.1.2 and/or 9.1.3 above to the extent any infringement arises from:

use of any Client Input in the performance of the Services;

any modification of the Deliverables, other than by or on behalf of Ricardo;

combination of the Deliverables with any Client or third party materials; and/or

compliance with the Client's specifications or instructions.

* 1. The Client warrants that it is the owner (or licensee) of the Intellectual Property Rights in the Client Inputs, and its use by Ricardo for the purpose of providing the Services, will not infringe the Intellectual Property Rights of any third party.
  2. If there is a breach of the warranty at Clause 9.7, Ricardo may, at its sole option and without prejudice to any other right or remedy it may have, suspend provision of the Services without liability to the Client to allow the Client to:

procure the right for Ricardo to continue using the Client Input; or

modify the Deliverables so that they become non-infringing without incurring a material diminution in performance or function; or

replace the Client Input with non-infringing substitutes provided that such substitutes do not entail a material diminution in performance or function.

Provided that any times agreed for the provision of the Services shall be amended accordingly, the Client shall be additionally liable for Ricardo’s costs incurred during the period of suspension and, if the Client is unable to rectify the infringement in accordance with Clause 9.8, Ricardo shall be entitled to terminate the Contract in accordance with Clause 13.3.1.

* 1. Save as set out in these Conditions, Ricardo gives no warranty or representation as to the quality, condition, or fitness or suitability for any purpose of any of the Services. All warranties, conditions or other terms implied by statute, common law, trade, custom, practice or in the course of dealing are excluded to the fullest extent permitted by law.
  2. Where Ricardo provides Deliverables which contain or rely upon third party components, parts, software or other products, Ricardo gives no warranty, guarantee or other term as to their quality, fitness for purpose or otherwise.
  3. Ricardo shall not be liable for any defect in the Deliverables arising from fair wear and tear or if the Client fails to use, maintain or store the Deliverables in accordance with Ricardo’s instructions and good industry practice.
  4. Nothing in this Contract shall exclude or limit a party's liability for: (i) death or personal injury caused by negligence; (ii) fraud or fraudulent misrepresentation; (iii) payment of the Price or other sums set out in the Proposal (in the case of the Client); or (iv) any other liability that cannot be limited or excluded by law.
  5. Subject to Clause 9.12 and notwithstanding any other statement to the contrary in this Contract, each Party’s aggregate liability arising under or in connection with this Contract, whether in contract, tort (including negligence), for breach of statutory duty or otherwise, is limited:

to the Price or £100,000 (whichever is higher), and

shall be further limited to exclude liability for loss of profit, loss of business, loss of anticipated savings, recall costs, loss of production, loss of use or corruption of software, data or information, and indirect, special, punitive and consequential losses.

1. Sanctions and Export Controls
   1. Each party warrants that:

it is not a Restricted Party, nor owned or controlled by a Restricted Party;

if the other party becomes a Restricted Party or becomes owned or controlled by a Restricted Party: (a) it shall immediately inform the other party in writing; and (b) it shall have the right, at its sole discretion, to terminate any or all of its obligations to the other party including cancelling any order or Contract made and suspending deliveries;

it shall not use any revenue or benefit derived from any activity or dealing with a Restricted Party in performing this Contract, and shall not use any revenue or benefit derived from performing this Contract for the benefit of a Restricted Party;

it shall not resell any Deliverables to, or otherwise deal in any way, with any Restricted Party;

it shall comply in all respects with all Sanctions and shall not do anything which would put the other party in breach of any Sanctions; and

it is not aware of any circumstances that could give rise to an investigation or prosecution relating to any failure to comply with any Sanctions.

* 1. Each party acknowledges that the Deliverables (including any technical data relating to them) may be subject to US, UK, EU and/or other local government export control laws or regulations ("**Export Control Laws**"). Each Party shall comply with all Export Control Laws and the Client shall be solely responsible for obtaining any necessary import licences, export licences, or other governmental approvals or authorisations from the appropriate authorities for: (i) the export of the Deliverables by Ricardo and any Client Inputs by the Client to (and their import into) the country of delivery; and (ii) if applicable and permitted by Export Control Laws, re-exporting the Deliverables from the country of delivery.
  2. Each party shall notify the other party in writing as soon as reasonably practicable after it becomes aware that it is, or is reasonably likely to be, in breach of these Clauses 10.1 or 10.2.
  3. Where the Proposal specifies that Ricardo is responsible for exporting Deliverables and arranging an export licence, Ricardo will use reasonable endeavours to apply for and maintain the export licence. The Client shall provide all information and support (including the provision of any end user undertakings) requested by Ricardo. Ricardo shall have no liability for delay or failure if an export licence application is refused or delayed or if, once granted, an export licence is revoked, suspended or subjected to conditions.
  4. The Client shall not, under any circumstances, provide any Client Inputs to Ricardo that are subject to the US International Traffic in Arms Regulations (ITAR) or Export Administration Regulations (EAR). The Client hereby indemnifies Ricardo against any claims, liabilities, costs, fines, proceedings, damages and expenses (including reasonable legal and other professional fees and expenses) awarded against or incurred or paid by Ricardo (and its Associated Companies) arising from or in connection with the provision by the Client to Ricardo of materials that are subject to the ITAR or EAR.

1. Confidentiality
   1. The Receiving Party shall not disclose any Confidential Information to a third party without the prior written consent of the Disclosing Party, except as provided in Clause 11.2.
   2. The Receiving Party may disclose Confidential Information to its employees, agents, professional advisors and (in the case of Ricardo) its subcontractors who have a need to know and subject always to such employees, agents, advisors and subcontractors being under a similar duty of confidentiality.
   3. Clause 11.1 shall not apply to Confidential Information which is: (a) in the public domain other than by breach of this Clause; (b) independently developed by the Receiving Party; (c) already in the possession of the Receiving Party other than by breach of this Clause; or (d) required to be disclosed by law or other competent authority provided that the Receiving Party notifies the Disclosing Party, if permitted by law, as soon as it receives the request for disclosure and provides reasonable assistance to the Disclosing Party to prevent or limit such disclosure.
2. Assignment

Neither party may assign, novate or subcontract its rights or obligations under the Contract in whole or in part without the express prior written consent of the other party, except that Ricardo may sub-contract partial performance of the Services.

1. Suspension and Termination
   1. Without prejudice to any rights or remedies, this Contract may be terminated by:

either party if the other party commits a material breach of this Contract which is incapable of remedy, or where such breach is remediable, the other party fails to remedy such breach within 30 days after written notice requesting that party to remedy such default;

Ricardo on 30 days’ written notice to the Client if the Client fails to pay by the due date for payment, and/or fails to make payment after a further request for payment;

either party on written notice to the other if the other makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of a solvent amalgamation or reconstruction) or an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the other or the other ceases, or threatens to cease, to carry on business (or 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 aforementioned events); or

by either party on 30 days’ written notice if a delay or failure caused by Force Majeure continues for 4 weeks.

* 1. In the event of termination of the Contract for any reason, the Client shall pay Ricardo for all Services performed up to the date of termination regardless of achieving or acceptance of any deliverable or milestone. In the event of termination of the Contract for any reason (other than by the Client pursuant to Clause 13.1.1), the Client shall additionally pay Ricardo for all costs incurred after the date of termination in winding down the Services and 10 per cent of the Price outstanding at the date of termination and which the parties agree is a reasonable pre-estimate of the loss Ricardo will suffer as a result of any such termination.
  2. Unless otherwise specified in the Proposal, the Client Input will, at Ricardo’s sole option, be returned to the Client by Ricardo and/or made available for collection from Ricardo’s premises and if the Client is responsible for collecting any of the Client Input from Ricardo’s premises, such collection may be made at any time during business hours and on at least five days’ notice to Ricardo after Ricardo has given notice that the Client Input are available for collection. If the Client fails to collect any Client Input or fails to provide delivery instructions within the time stated in the notification then, without prejudice to any other right or remedy which Ricardo may have, Ricardo may at its sole discretion:

store the Client Input at its own premises or elsewhere and charge the Client for its reasonable costs including insurance for storage; and/or

on notice to the Client, destroy the Client Input and charge the Client for its reasonable costs.

* 1. Any termination or expiry of the Contract shall not affect the accrued rights and obligations of the parties nor shall it affect any provision which is expressly or by implication intended to come into force or continue in force on or after such termination or expiry.
  2. Without prejudice to any rights or remedies, Ricardo may suspend the Services without liability if there is a failure or delay by the Client in performing its obligations in Clause 6.1 and all costs and expenses incurred by Ricardo as a result of such suspension shall be payable by the Client in addition to the Price.

1. Taxes
   1. Subject to Clause 14.2, If Ricardo is liable for any tax levied by a foreign government in connection with the provision of the Services the Client shall provide Ricardo with the necessary tax certificates to enable Ricardo to recover the taxes to the greatest extent possible under any agreement for the avoidance of double taxation.
   2. If any deduction or withholding is required by any law, practice or regulation (whether or not such practice or regulation has the force of the law) in respect of any payment due from the Client to Ricardo or is in any event made, the relative sum payable by the Client shall be increased so that, after making the minimum deduction or withholding so required, the Client shall pay to Ricardo and Ricardo shall receive and be entitled to retain on the due date for payment a net sum at least equal to the sum which it would have received had no such deduction or withholding been required to be, or had in fact been made.
2. Variations

Either party may issue a project variation request to vary the Contract, which may include a request to the scope of Services, Deliverables, timing of the Services, responsibilities, assumptions or Price. Subject to Clause 3.2, no variation to the Contract shall take effect unless and until agreed to in writing by the parties.

1. General
   1. This Contract constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Contract and supersedes any prior agreements, representations, understandings or arrangements between the parties (oral or written) in relation to such subject matter. Each party acknowledges that:

upon entering into this Contract, it does not rely, and has not relied, upon any representation (whether negligent or innocent), statement or warranty made or agreed to by any person (whether a party to this Contract or not) except those expressly set out in this Contract; and

the only remedy available in respect of any misrepresentation or untrue statement made to it shall be a claim for breach of contract under this Contract.

* 1. If any provision of these Conditions is found by any court, arbitrator or other competent authority to be void or otherwise unenforceable either in whole or in part such provision or part thereof shall be deleted and the remaining conditions shall apply.
  2. Neither party shall be responsible for failure or delay caused by events outside its reasonable control, including without limitation: war, epidemic, pandemic, act of God, natural disaster; fire, flood, explosion, accident, electrical or internet or telecommunication outage, government restrictions (such as sanctions, embargoes or refusal or cancellation of export licence).
  3. Nothing in the Contract shall create a partnership or joint venture between the parties and neither party shall enter into or have authority to enter into any engagement or make any representations or give any warranty on behalf of or otherwise bind or oblige the other party.
  4. No failure or delay by a party in exercising any of its rights under the Contract shall be deemed to be a waiver of that right, and no waiver by a party of any breach of the Contract by the other party shall be considered as a waiver of any subsequent breach of the same or any other provision.
  5. Any notice required or permitted to be given under these Conditions shall be in writing addressed to the 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 Clause to the party giving the notice but, in any event, any notice to Ricardo must also be emailed to legalnotices@ricardo.com.
  6. A person who is not a party to the Contract has no rights under this Contract.
  7. The language for any Deliverables, communication, training (if applicable) and correspondence between the parties in respect of the provision of the Services shall be English.
  8. In the performance of its obligations under or in connection with this Contract the parties their agents and employees shall comply with all applicable laws rules and regulations including the Modern Slavery Act 2015, Bribery Act 2010, the Data Protection Act 2018 and where appropriate the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.
  9. This Agreement (including its formation and any dispute arising out of or in connection with this Agreement) is subject to the laws of England and the exclusive jurisdiction of the English Courts.

SPECIAL CONDITIONS

[USE IF APPLICABLE]

1. Aerospace Projects – Applicable only to contracts involving aviation or aerospace activities

A1 This Clause A shall apply to all Contracts in the aviation or aerospace sector or for aviation or aerospace applications. If there is a conflict between this Clause A and Clauses 1 to 16, Clause A shall take precedence. If the Contract does not involve aerospace or aviation activities, this Clause A shall not apply. Notwithstanding the foregoing, nothing in this Clause A seeks to limit or exclude Ricardo’s liabilities pursuant to Clause 9.12.

A2 The Client acknowledges that:

A2.1 Ricardo is performing tasks relating to experimental systems or prototypes;

A2.2 Ricardo does not hold any Design Organisation Approval (or equivalent) or any other aviation or aerospace certification authority;

A2.3 Ricardo is a consultant specialising in automotive rather than aerospace engineering; and

A2.4 the Client is looking to utilise Ricardo automotive-based engineering solutions to support its own efforts in the aerospace sector.

A3 Ricardo provides no express or implied warranties or representations that:

A3.1 the Services and any Deliverables shall be fit or suitable for any particular purpose;

A3.2 the Services and any Deliverables shall achieve any specific results or outcomes;

A3.3 any Deliverables or any Client or third party systems, products or designs that utilise, incorporate, are derived from, rely upon or are otherwise informed by the Services and/or the Deliverables shall be:

(i) certified or certifiable by any authority;

(ii) suitable for production purposes; and/or

(iii) deemed airworthy or safe or suitable for flight.

A3.4 Unless any specific aerospace standards are expressly stated in the Contract, Ricardo shall have no obligation to perform the Services in accordance with any specific aerospace standards.

A4 The Client:

A4.1 shall be responsible for:

(i) arranging for any aircraft certification and ensuring certifiability, if desired by the Client;

(ii) performing the role of design authority for any of the Services or Deliverables;

(iii) (without prejudice to any express warranties by Ricardo in the Contract in respect of the same) ensuring that any required aerospace standards applicable to the Services and/or the Deliverables are met and that the Services and Deliverables are fit and suitable for purpose for any intended use;

(iv) ensuring that the Deliverables are used for trials purposes only and will not be used for production purposes; and

(v) performing all assessments and tasks required to achieve flight worthiness and safety for flight.

A4.2 agrees that any consultation or request for support or advice on the application of the Services (including the Deliverables) for any aviation or aerospace purposes, or any of the Client's responsibilities as set out in Clause A4.1, is outside the scope of the Services and, even if provided during the course of the Services, the Client agrees not to rely on any such consultation, support or advice without conducting appropriate review and verification by suitably qualified and experienced aerospace experts and that any such reliance is entirely at the Client’s risk.

A5 Where the Deliverables will be used by the Client for or in connection with experimental flight or trials the Client shall be responsible for defining, risk assessing, obtaining all consents and approvals for coordinating and conducting any flight trials.

A6 The Client hereby indemnifies Ricardo (and its Associated Companies) for any claims, liabilities, costs, fines, proceedings, damages and expenses (including reasonable legal and other professional fees and expenses) awarded against, or incurred or paid by Ricardo (and its Associated Companies) arising out of or in connection with: (i) the Client failing to discharge its responsibilities or obligations described in Clauses A4 and/or A5; (ii) any use of the Services and/or Deliverables for any flight or aerospace purposes; (iii) if applicable, any flight trials (including from the inception of any such flight trials).

A7 During the term of the Contract and for seven (7) years thereafter the Client shall maintain in force, with a reputable insurance company, aviation insurance to cover the parties’ liabilities (being not less than £50 million) that may arise under or in connection with the Contract (including the Client’s liabilities in connection with this Clause A).

B Functional Safety – Applicable only to contracts involved functional safety activities

B1 This Clause B shall apply to all Contracts involving functional safety activities. If there is a conflict between this Clause B and Clauses 1 to 16, Clause B shall take precedence. If the Contract does not involve functional safety activities, this Clause B shall not apply. Notwithstanding the foregoing, nothing in this Clause B seeks to limit or exclude Ricardo’s liabilities pursuant to Clause 9.12.

B2 Where the Services include functional safety analysis or activities, Ricardo shall perform such functional safety analysis in accordance with the requirements and standards set out in the Proposal.

B3 If, during the performance of the Services, Ricardo identifies any safety issues, Ricardo will notify the Client and the Client shall be responsible for determining the necessary measures to eliminate or mitigate the safety concern to an acceptable level.

B4 Without limiting Ricardo’s obligations under Clauses B2 or B3, Ricardo provides no warranties that the Deliverables or the Services are safe (including safe to use or operate) or are otherwise fit for any particular purpose.

B5 To the extent permitted by law, Ricardo shall have no liability to the Client:

B5.1 if the Client fails (or elects not) to implement any safety recommendations made by Ricardo in the course of the provision of the Services;

B5.2 if the Client fails to adequately address any safety issues identified by Ricardo in accordance with Clause B3; and/or

B5.3 for any loss or damage arising from a safety related incident arising from any Deliverables or Services or other work, advice or information provided, unless caused by Ricardo’s breach of Clauses B2 and/or B3.

B6 The Client hereby indemnifies Ricardo (and its Associated Companies) for any claims, liabilities, costs, fines, proceedings, damages and expenses (including reasonable legal and other professional fees and expenses) awarded against or incurred or paid by Ricardo (and its Associated Companies) arising out of or in connection with any of the circumstances described in Clause B5.