



Aluminium Materials Technologies Limited Terms & Conditions of Purchase

1) ACCEPTANCE

- 1.1) Acceptance of the order by the Seller constitutes a Contract between Aluminium Material Technologies Limited (herein referred to as The Company) and the Seller, and is an acceptance by the Seller of the terms and conditions stated hereon. Any subsequent conditions placed by the Seller will not supersede the Terms and Conditions of this Order.
- 1.2) Should the Seller proceed with the contract, it will be construed as acceptance of these terms.
- 1.3) The Company will not accept liability for any goods supplied, or work undertaken, which is not as detailed on this purchase order.
- 1.4) In case of Force Majeure, The Company reserves the right to suspend the delivery of goods or services as required by this purchase order.
- 1.5) Seller shall make all data, records and communication available in the English language when specifically requested by the purchase order.
- 1.6) When The Company's customer's designs, drawings or models have been sent in furtherance to The Company's purchase order; the Seller will not perform Work Transfer, and the Seller shall perform 100% inspection for in-process and final inspection.
- 1.7) Where applicable, the Seller shall ensure that materials and processing are procured from a source approved by The Company, where required.

2) PRICE

- 2.1) The price of the Deliverables will be as stated in The Company's purchase order and will be: i) exclusive of any applicable VAT (which will be payable by The Company subject to receipt of a valid VAT invoice); ii) inclusive of all charges for dispatch, insurance and delivery, commissioning or performance of Deliverables to or at the stated delivery address, and of any duties or levies other than VAT; iii) payable in pounds sterling unless specifically stated to the contrary on the purchase order; iv) fixed for the duration of the term indicated on the purchase order.

3) DELIVERY

- 3.1) Time is of the essence of the contract and accordingly orders for any goods not delivered by the stipulated delivery date may be subject to cancellation at The Company's option in whole or in part, as appropriate, without any obligation attached to The Company and without prejudice to such rights as may be available to The Company to claim damages or to seek any other remedy.
- 3.2) During or after complete or partial stoppage of work at The Company's factory by reason of Force Majeure, The Company may wholly or partly suspend acceptance of deliveries.
- 3.3) Seller has responsibility for all carriage and insurance arrangements and costs to the address as stated on the face of this purchase order form, unless stated otherwise.

4) INSPECTION AND REJECTION

- 4.1) All goods or services shall be subject to inspection in accordance with one or more of the following requirements, as necessary: i) By the Seller's Inspection Organisation as approved by The Company and to the satisfaction of the Quality Manager of The Company; ii) By the Inspection Organisation of The Company on receipt at The Company's premises; iii) By exceptional arrangements determined by the Quality Manager of The Company and as shown on the face of this purchase order.
- 4.2) The Company reserves the right to reject any of the goods which do not comply with the latest specification or which are not of an acceptable standard or do not achieve the required standards of design, material, workmanship or quality or which are not in accordance with the Seller's sample.
- 4.3) All goods provided by Seller for use in The Company's manufactured parts shall be compliant with REACH legislation at the time of delivery. It is incumbent upon the Supplier to ensure that they notify The Company of any potential changes in REACH legislation regarding their commodity.
- 4.4) All services provided by Seller to The Company shall be subject to an adequate risk assessment and method statement and shall adhere to The Company's control of contractor's procedures (copy available upon request).
- 4.5) The Company may return such rejected goods to the Seller at the Seller's expense and risk and the Seller shall, at The Company's option, credit the value of such goods to The Company or supply replacement goods free of charge within a reasonable time without prejudice to any further remedies by way of damages or otherwise which The Company may have against the Seller.
- 4.6) The Seller is required to obtain prior written authority from The Company's Quality Assurance department, to ship any non-conforming goods. Any such goods must be accompanied by the relevant concession application and The Company reserves the right to reject any or all such goods if, during processing, they are deemed to be unsatisfactory.
- 4.7) All services shall be provided to the highest standards and The Company reserves the right to withhold payment where the services have not been provided to the required standard.
- 4.8) The Seller shall notify The Company in writing of any proposed changes in the product and/or process, changes of sub-tier suppliers / manufacturing facility location / Quality Management Representative, and obtain approval from The Company at least three months prior to implementing any such proposed changes.
- 4.9) The Seller shall allow right of access by The Company, our Customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain which is involved in the order and to all applicable records at any reasonable time.
- 4.10) The Seller shall maintain, and make available on a timely basis to The Company, their representatives and regulatory authorities, Quality Records validating the compliance of purchased items or services to purchase order requirements. These Quality Records shall be retained indefinitely unless stated explicitly otherwise within the Purchase Order or Contract. The Company requires that this provision is included in the Seller's direct supply contracts as well as the obligation that they be flowed down to the sub-tier supply chain.
- 4.11) The Seller shall notify The Company prior to the disposal of any records established to provide evidence of compliance to purchase order requirements.
- 4.12) Where purchased material is subsequently incorporated into The Company's product, the Seller will ensure that the following is provided as a minimum:
 - i) Certified physical and metallurgical test reports where required by specification; ii) Certificate of Compliance signed by a duly authorised member of the Seller's QA department, certifying its QA department has inspected the parts and they adhere to all requirements, applicable drawings and/or specifications. The Company requires that the provision be included in the Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain.
- 4.13) Seller shall perform First Article Inspections (FAI) in accordance with AS9102, where applicable. The Company requires that the provisions be included in the Seller's direct supply contracts as well as the obligation that they are flowed down to the sub-tier supply chain.
- 4.14) Where non-compliant material / product has been released without prior notification to The Company, Seller will immediately advise The Company (Notice of Escape). The Seller will supply details regarding the non-compliant material / product and potential implications as a matter of extreme urgency. The Seller will be liable for all costs incurred by The Company as a result of the non-compliant product / material.

5) APPROVAL OF SUPPLIERS & SUB-CONTRACTORS

- 5.1) Any Supplier or Sub-Contractor to The Company whose activity falls into any of the following categories must be approved by The Company.
 - i) Suppliers of raw material / post cast assembly components; ii) Suppliers of products associated with the manufacture of The Company's manufactured parts;
 - iii) Suppliers of sub-contract processes for post casting operations.
- 5.2) Suppliers and Sub-Contractors who fall into categories stated in 5.1 will be required to operate a Quality Management system that is certified by an accredited third party to ISO9001 requirements and hold relevant customer approvals.
- 5.3) Any specific requirements must be flowed down via the Purchase order. Seller is responsible for flowing down to their sub-tier suppliers all applicable requirements of the purchase order.
- 5.4) Where Seller is carrying out work in support of a contract that The Company itself has with a customer requiring flow-down of process tools and methodologies, then Seller must inform itself of the requirements and ensure that all work is conducted in accordance with such requirements. These may include, but are not limited to:
 - i) Airbus General Requirements for Aerostructure Manufacturing Specifications (GRAMS)
 - ii) Rolls Royce Supplier Management System Requirements (SABRe)
 - iii) Boeing Quality Management System Requirements (BQMS), including document D6-51991 Quality Assurance Standard for Digital Product Definition at Boeing Suppliers.
- 5.5) Where Seller has made representations to The Company as to its possession of a quality standard certification (For example British or International Standard Certification), it is incumbent upon Seller to immediately inform The Company of a change or loss of such certification.
- 5.6) The Company requires that Seller acts in accordance with environmental and humanitarian legislation. Any breach associated with either of these will result in a review by The Company, and if unresolved, will result in the removal of the Seller from The Company's approved supplier list.

6) FREE ISSUE

- 6.1) All free issued materials / equipment / products supplied by The Company for use in connection with this purchase order remain the property of The Company. Responsibility for the safe custody and maintenance in good condition (excluding fair wear and tear) of the aforementioned will be the responsibility of the Seller.

7) PACKING & PACKAGING



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- 7.1) All packaging and invoices must be clearly marked with The Company's purchase order number, description and the quantity of contents in the form of an accompanying advice note.
- 7.2) All products must be packed in accordance with any specific instructions supplied by The Company. Where no such instructions are issued, it will be incumbent upon the Supplier to ensure that goods are packaged in order to ensure that they reach their destination in good condition.
- 7.3) Cases and packaging material are to be free of charge, unless otherwise agreed in writing.
- 7.4) Where necessary, empty cases will be returned to the Seller at Seller's risk and expense.

8) TOOLING

- 8.1) Any tools for which The Company pays part cost are to remain The Company's part property and it is a condition of this that before any modification, alteration to, or disposal of these tools, The Company's permission in writing must first be obtained.
- 8.2) All patterns, tools or drawings supplied by or wholly paid for by The Company shall remain the property of The Company and shall be subject to the same conditions as 8.1 above.
- 8.3) The Seller shall maintain such items in good order and condition and insure them against all risks whilst in their custody.
- 8.4) The Seller shall not use or permit to be used such items for any purpose other than the supply of the goods to The Company, and shall return them upon completion of the order unless specified otherwise in writing by The Company.

9) WARRANTY & LIABILITY

- 9.1) Unless otherwise agreed, The Seller warrants and represents to The Company that the products and / or services will be of the highest quality and that the products will be free from defects for a period of 12 months from the date of delivery.
- 9.2) Seller further warrants to The Company that the Certificate of Conformity provided (where applicable) is genuine and can be relied upon by The Company.
- 9.3) In the event of a breach of this warranty, the Seller guarantees immediately to repair or replace the relevant products or replace items upon which the services have been provided free of charge without prejudice to The Company's right to reject the products or withhold payment for the services in addition to any other remedies that The Company may have.
- 9.4) The Seller warrants that neither the sale nor the use of any of the Goods or any part thereof will infringe any global patent, trade mark, trade name or registered design and undertakes to indemnify and keep The Company indemnified against all demands, processes, actions, judgments, decrees, costs, claims and expenses resulting from any actual or claimed infringements of such rights and undertake at their own expense to defend or assist in the defence of any suit or action which may be brought in this connection.
- 9.5) Seller will insure, until performance is complete, against all normal insurance risks relevant to work for or with The Company, on terms and for amounts consistent with normal business prudence. Seller will demonstrate to The Company the terms and currency of any such insurance on request.

10) INVOICES

- 10.1) Invoices must be sent to the relevant accounts payable department of The Company within two days of despatch of goods.
- 10.2) The Company reserves the right to withhold payment to Seller in the following instances: i) Seller's Invoice values do not correlate with The Company's purchase order values; ii) The Company has rejected goods provided by Seller or have quarantined goods for further inspection; iii) Seller has not satisfactorily fulfilled all aspects of The Company's purchase order.
- 10.3) The Company will notify Seller of any invoice query in a timely manner to enable resolution activity to take place.

11) PAYMENT

- 11.1) Payment will be made 60 days from the end of the month of invoice date, unless specifically agreed otherwise between The Company and Seller, or unless invoices are subject to a genuine price query as notified to Seller.

12) RISK & TITLE

- 12.1) Risk in Products/Goods will pass from Seller to The Company as specified by the incoterm applicable to the contract in accordance with Incoterms 2010.
- 12.2) Title to Products/Goods will pass from Seller to The Company upon receipt of Products/Goods at The Company's premises.
- 12.3) The Company will retain Title to Products/Goods that it sends to a Seller's premises for processing or added value work on a sub-contract basis.

13) CONFIDENTIAL MATERIAL

- 13.1) All designs, drawings, specifications and information supplied in connection with this order are confidential and their use must be strictly confined to the Seller's facility and to the purpose of this order; the particulars contained therein and in any other matter issued in connection therewith must not be disclosed to anyone other than the Seller's employees, without The Company's written consent.
- 13.2) All confidential material must be used solely for the purpose of manufacturing the article, or parts thereof, deliverable under this order and no similar articles or parts may be made for any other purpose except with The Company's previous consent in writing.
- 13.3) All such designs, drawings specifications and information and all copies thereof must be returned to The Company on completion of the order.

14) POLICY COMPLIANCE

- 14.1) The Company operates and maintains a series of policies applicable to the supply chain which Seller must comply with at all times, copies of which can be viewed on The Company's website or obtained from your regular contact within The Company, to include policies, directives or instructions that are flowed down from The Company's own customers.
- 14.2) This purchase order is placed subject to Seller understanding and complying with all policies applicable to the supply chain.
- 14.3) The Company will carry out periodic audits within the supply chain to ensure compliance with The Company's supply chain policies.
- 14.4) Non-conformance by Seller to The Company's policies, or those flowed down from The Company's own customers, may result in rejection in part or wholly of any goods or services provided by The Seller and an investigation into non-conformances leading to appropriate corrective actions being implemented.

15) ACCIDENT INDEMNITY

- 15.1) The Seller accepts full responsibility for all or any loss, damage, injury or death resulting from the execution of this order and indemnifies The Company against all claims, suits, liabilities and expenses which may be brought against or incurred by The Company in this regard except such claims, suits, liabilities and expenses as arise as a result of negligence on the part of The Company and without negligence on the part of the Seller or his servants or agents.

16) APPLICABLE LAW

- 16.1) The contract between the Seller and The Company which is concluded on express or implied acceptance by the Seller of this order is deemed to be made under English law and subject to the jurisdiction of the English courts.

17) ENVIRONMENTAL

- 17.1) Products containing or are manufactured with Ozone-depleting substance as defined within the Environmental Protection Agency designates in 40 CFR Part 82 as Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or Class II, including, but not limited to, hydrochlorofluorocarbons, shall be labelled in the manner and to the extent required by 42 U.S.C. 7671j (b), (c), and (d) and 40 CFR Part 82, Subpart E, as applicable. These provisions/requirements set forth above shall be included in Seller's direct supply contracts as well as the obligation that they be flowed to the sub-tier supply chain. For the purpose of this note Supply Chain shall mean Seller's direct and indirect suppliers performing value-added activity on the products and services.