

TERMS AND CONDITIONS DETAILED FORM PART OF Pre-met Ltd PURCHASE ORDERS AND SERVICE ORDERS
ACCEPTANCE OF A PURCHASE/SERVICE ORDER IMPLIES ACCEPTANCE OF THESE TERMS AND CONDITIONS

1. Definitions

"Contract" shall mean any contract resulting from this order

"Order" shall mean this purchase order

"Buyer" shall mean Pre-met Ltd

"Seller" and/or "Supplier" shall mean the person on whom this order is placed

"Goods" shall mean the supplies to be delivered under the contract and shall be deemed to include any service(s)

2. Acceptance

This purchase order constitutes buyer's offer to seller, and is a binding contract on the terms and conditions set forth herein when it is accepted by seller either by the acknowledgement or the commencement of performance hereunder. No condition stated by the seller in accepting or acknowledging this order shall be binding upon buyer if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless accepted by buyers written approval.

3. Revisions

No revision of this order of any of the terms and conditions hereof shall be valid unless in writing and signed by an authorised representative of buyer's purchasing department.

4. Delivery

4.1 Delivery shall be strictly in accordance with the delivery schedule set out in this order. Notwithstanding this provision, the seller shall not be liable for delays or defaults due to causes beyond its control and without its fault or negligence, provided however, that if the seller has reason to believe that deliveries will not be made as required, due to such cases, written notice setting forth the cause of any anticipated delays shall be given immediately to buyer.

4.2 The supplier shall complete and deliver the goods at the time or times specified in the order and in this respect time shall be of the essence.

4.3 The buyer may at any time or times by notice in writing to the seller postpone the date(s) of delivery of any goods without thereby incurring any liability and the seller shall deliver such goods on the revised date(s) so notified and shall not make any claim for adjustment in price or otherwise in respect of any such postponement unless otherwise agreed in writing by the buyer.

5. Deliveries Made

5.1 If the supplier delivers quantities in excess of the quantity due the purchaser shall have the right to accept or reject the quantity in excess of that due.

5.2 The buyer shall not be obliged to accept delivery of any goods prior to the delivery date and if the seller shall do so:

a) the buyer shall be entitled to charge storage to the supplier and

b) the date for payment shall be calculated according to the due delivery date

6. Termination

Failure to comply with the specification, terms and conditions of this order, or to deliver material in accordance with sellers promise shall be grounds for cancellation without penalty to buyer.

7. Acceptance and Rejection

All articles will be subject to final inspection and acceptance by buyer within a reasonable time after receipt at the designated destination, irrespective of prior payment. Buyer may reject any article which contains defective material or workmanship or does not conform to specifications, samples or warranties. Any article so rejected may be returned to seller at seller's risk and expense, and at full invoice price plus applicable transportation charges both ways. No defective article or material shall be replaced unless requested by buyer.

Any specific requirements and customer flow down of requirements will be conveyed by the buyer at Purchase Order placement, it is the responsibility of the seller to fully conform to Purchase order requirements and any associated requirements thereof.

7.1 Certificate of Conformance (Required for Goods Intended for Aircraft Applications and for Goods where Required on the Relevant Drawing)

The certificate of conformance is a quality record that shall include the part number, purchase order number, quantity shipped, date shipped, manufacturer's part number, manufacturer's date code (see below) and details of certified quality system. It should be signed to indicate compliance with the requirements of this document. These are to be submitted for all parts delivered to the buyer.

7.2 Date Code/Lot Number Control (Required for Goods Intended for Aircraft Applications and for Goods Where Required on the Relevant Drawing)

Deliveries of parts/components with multiple date codes or multiple lot numbers must be segregated such that each part/component is identifiable by its date code or lot number. The paperwork must also reflect if multiple date codes or lot numbers have been delivered with the associated quantity.

7.3 First Article Inspection

Buyer requires all first deliveries of parts to include a full first article inspection report be filled out by the seller. The sample, on which the FAI was performed, shall be clearly marked, both on the sample and the FAI report. Where the drawing has been updated and there is a change in the form, fit or function of the part, then an FAI must be submitted for the change/update only. This requirement also applies to delivered items of which have exceeded a time-frame in excess of two years or more since last submitted FAI report.

The FAI should confirm that all processes, materials and dimensions are met. In the case of raw material or process i.e. paint, chromate, proof of acceptability shall be made available either through records or attached certificates. Drawing notes should be referenced and their acceptance confirmed.

Any discrepancies detected by the seller during the FAI shall be notified to the buyer and a deviation should be sought in advance of any parts being shipped. Under no circumstances shall a nonconforming part be sent to the buyer without an approved deviation. Failure to comply with the above requirements will result in the buyer rejecting the product.

7.4 Qualification of personnel/ Delegation of verification

1. Delegation of Product Verification can only be applied to those suppliers on the Buyer's approved suppliers list
2. Records of periodic reviews shall be maintained for all suppliers, where 'Delegation of Verification' has been applied. A record of any withdrawals with justification shall be maintained.
3. Before 'Delegation of Verification' the proposed supplier's performance shall be to an acceptable level against agreed performance criteria (this shall include agreed product conformance levels). Verification of Performance criteria shall be a minimum of 3 months worth of data.
4. Prior to granting delegation any outstanding corrective actions shall have been resolved.

7.5 Quality System Requirements

1. All new suppliers SHALL be required to complete self assessment form (TS147). The Buyer will ensure form is sent and received and evaluated prior to tending any PO.
2. Evaluation of self assessment shall be as follows:-
 - Any supplier that supplies process or products for use in Aerospace / Automotive applications will be required to hold accredited certification to ISO9001 minimum. Exceptions will only be accepted if a completed on-site audit is carried out and passed/approved by the buyer – this is inclusive of Customer nominated designated suppliers.
 - Self assessment forms will be passed back to the buyer who will review information to check / ensure minimum criteria is met (note: scope of approval must be clear). Exceptions as listed above.
 - Any noted deficiencies / risks will be addressed via an agreed action plan prior to approving supplier.

7.6 Record Retention

In addition to contractual requirements the supplier shall retain verifiable objective evidence of inspection /tests performed and associated documentation. Records shall be made available for evaluation for a contractually agreed upon period. Unless otherwise specified, this period shall be for a minimum period of 40 years from completion of order unless otherwise agreed in writing by all parties.

7.7 Notification of Non-Conforming Product

Suppliers are required to notify the buyer of any non-conforming product, and obtain approval for non-conforming product disposition. The supplier shall notify the buyer of changes in product and/or process, changes of suppliers, changes of manufacturing location, and where required, obtain buyer approval.

In the event where seller becomes aware or suspects that it has furnished **Counterfeit Parts** or material, it shall immediately notify the purchaser. When requested by the purchaser, the supplier shall provide Authorised Supplier documentation that authenticates traceability of the parts to the applicable Authorised Supplier.

7.8 Right of Access by the Buyer, Their Customer and Regulatory Authorities

In accordance with contractual agreements, right of access by the buyer, their customer, and regulatory authorities shall be afforded to all facilities involved in the order and to all applicable records,

7.9 Key Characteristics

Where Identified within the specification, drawing and/or purchase order the supplier shall flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.

8.0 Confidentiality

Released documents such as but not limited to CAD geometry, Drawings, specifications, test and inspection criteria necessary for the support in supply of products are considered private; and Confidentiality agreements may be imposed.

9.0 Compliance with the law

9.1 Bribery

Anti-bribery and corruption including but not limited to the UK Bribery Act 2010, seller will not engage in any activity, practice or conduct which would constitute an offence under this Act.

9.2 ANTI-SLAVERY AND HUMAN TRAFFICKING

- In performing its obligations the Seller will comply with all applicable anti-slavery and human trafficking laws, statutes and regulations from time to time in force including but not limited to the Modern Slavery Act 2015.
- Not engage in any activity, practice or conduct that would constitute an offence under of the Modern Slavery Act 2015
- ensure that each of its subcontractors and suppliers comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015.

9.3 Conflict minerals

All material used in the production or manufacturing of product sold to Buyer must be "Conflict Free" material as defined by the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act known as the "Conflict Minerals Rule". Mineral sources/smelters must be reported to Buyer upon request or in the event of a known conflict sources being used within the suppliers supply chain.

9.4 REACH, RoHS, Radioactive Source Directive

Seller represents and warrants that all the products, parts of products and materials will be supplied in full compliance with:

- The provisions of the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (The REACH regulation).
- Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment European Directives Nos. 2002/95/EC and 2011/65/EU (RoHS)
- Basic Safety Standards for the Protection of the Health of workers and the General Public Against the Dangers Arising from Ionising Radiation European Directive No. 96/29/EU. Where the Goods/Equipment/Supplies include Substances of Very High Concern (SVHCs) in accordance with the provisions of the REACH regulation, or include any RoHS substances or are classed as a radioactive source, the Seller shall immediately notify Buyer.

9.5 Product safety, conformity and Ethical Behaviour

Seller will ensure that all employees and subcontractors are aware of:

- Their contribution to product or service conformity
- Their contribution to product safety
- The importance of ethical behaviour