



HYMEC AEROSPACE (UK) LIMITED

Hymec Aerospace UK Limited - General Terms and Conditions of Purchase

1. General

Except only where expressly agreed otherwise by us in writing, every purchase shall be subject to these printed terms and conditions (hereinafter called "Conditions") and by commencing work on this Order you will be deemed to have accepted these conditions which shall be deemed to supersede all prior representations, understandings, arrangements between the parties and shall also be deemed to set forth the entire agreement between the parties in relation to the subject matter hereof.

2. Definitions

"Goods" mean any goods to be provided under this order.

"Guarantee Period" means a period of 12 months after the goods have been put into service or the services have been performed under this order.

"Order" means our purchase order or our advice note in respect of any Goods or Services or any part of them.

"Services" mean any services to be provided under this order.

"We" "Our" "Ourselves" means Hymec Aerospace

"You" "Your" and "Yourselves" means any person or corporate entity which commences work pursuant to a valid Order.

3. Authorisation

We accept no liability for any Goods delivered or services provided unless the order has been placed by one of our duly authorized representatives.

4. Guarantee

(i) If within the Guarantee Period any defect in the provision of Goods or Services shall be discovered or arise under normal use attributable to faulty design, materials or workmanship, you shall remedy the defect either by replacement or repair of the Goods and/or re-provision of the Services at your own expense. You shall not reject any claim made in respect of any defect arising within the Guarantee Period on the basis that we failed to make the complaint during such a period.

(ii) The provisions of this clause shall apply to both Goods and /or Services so replaced, repaired or reprovided and shall be effected from the date of such re-provision, replacement or repair.

(iii) Notwithstanding the above, the replacement, repair or re-provision of Goods or Services in the Guarantee Period shall not prejudice any of our rights against you resulting from such defects, faulty design, materials or workmanship in the Goods or Services.

5. Approval Inspection and Testing

Prior to delivery of any Goods to be provided under the Order you shall inspect and test the Goods for compliance with the Order and in assessing their fitness for use we shall be deemed to rely on your skill and judgment. You shall, if requested by us, supply certified copies of records



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of such inspection and tests free of charge. Where test samples are required in specifications or requested they will be provided. You will grant to us our nominated representatives a right of access at all reasonable times for the purpose of checking progress and carrying out or witnessing tests and/or inspection procedures. Such tests and inspection as we may carry out shall not in any way diminish, affect or impair your obligations.

6. Packaging

You will package the goods in a manner suitable for transit and/or storage at no cost to us unless otherwise specified in the order.

7. Deterioration of Goods

If the Goods are perishable or have a life expectancy of a fixed duration or if there are any circumstances known to you which would adversely affect the life-span of the Goods, you will forthwith advise us in writing of all such necessary and appropriate information relating thereto which shall form part of the description of the Goods.

8. Delivery

(i) Time for the delivery of the Goods and/or Services under the Order shall be of the essence.

(ii) Unless otherwise specified by us, delivery of Goods shall be effected by you at your own risk and expense (including the risk of deterioration in the Goods necessarily incident to the course of transit) at the place and on the date(s) specified in the order.

(iii) In the event of the Goods not being made available on the date(s) specified in the Order, we retain the right to cancel the Order pursuant to Condition 12.

9. Payment

(i) Unless otherwise agreed, payment for Goods or Services provided pursuant to an Order shall be made 60 days after end of month of delivery by us of the invoice together with such reasonable supporting information as may be required by us to support each respective invoice.

(ii) Notwithstanding the above, if there is a disagreement in respect of the amount shown on an invoice, that portion of the invoice may be deleted by us from the respective payment until resolution, but in no case shall the entire payment be deleted by us owing to a question regarding lesser portion.

10. Passing the Title and Risk

(i) The title and risk in the Goods shall pass on delivery or (in the case of delivery by instalments) on the delivery of each instalment.

(ii) Where the Goods or any part of them, thought ready for delivery, are retained by you pending delivery instructions then the property in such Goods shall pass to us upon payment, but the risk in such Goods shall remain with you until actually delivered.



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11. Insurance and Indemnity

(i) You will hold and maintain in force insurance to cover.

(a) the full value of any goods, tools, materials, or property provided by or through us to you in connection with the Order whilst they are in possession and/or control; and

(b) Your indemnity obligations as specified below.

(ii) You will indemnify us against any and all liability, loss, damages, claims, costs and expenses howsoever arising in

connection with the following:

(a) your failure to provide the Goods and/or Services in accordance with the Order and these conditions:

(b) Injury to any person or damage to any property arising from the provision of the goods and/or Services:

(c) Any breach by you of any statutory duty:

(d) If you or any of your servants or agents cause or suffer any injury or damage whilst on our premises in performance of this Order: and

(e) If you fail to comply with any statute, statutory rule, order, directive or regulation under Condition 13 hereof.

(iii) You shall hold any insurance monies payable under this Clause in trust for us.

12. Rejection and Rescission

If the goods do not comply with the Order or any Conditions of the Order are broken or not complied with by you or it is clear that you will be unable to perform your part of the order, we shall at our discretion be entitled to reject the Goods or Services and/or rescind the Order (notwithstanding that the property in the Goods may have been passed) by giving written notice to you and the following provisions shall where appropriate apply:-

(i) we shall return to you at your risk and expense any rejected Goods or any Goods delivered which by reason of non-delivery of the balance are not reasonably capable of use by us, or at our option shall require you to collect the same.

(ii) We may, at our discretion, require you either to restore or rectify the Goods or Services to our satisfaction and at your expense or to replace any Goods or Services so rejected upon the same Conditions as herein stated.

(iii) You will repay to us any money paid by us in respect of rejected or undeliverable Goods or Services.

13. Statutory and Other requirements

(i) It is a condition of this order that the provision of Goods and/or Services under this Order comply and will continue to comply, with the provisions and requirements applicable to the design, manufacture, supply and use of the Goods and the provision of Services hereunder (whether expressly or by implication) of and statute, statutory rule, order, directive or regulation in force at the time of delivery.



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(ii) The Goods and all supporting literature and/or the provision of Services shall conform with all descriptions (within the meaning of the Trade Description Acts 1968 and 1972 or any statutory modification or re-enactment thereof) applied there to by you.

(ii) You will supply where appropriate, and not later than the date of delivery or installation of the Goods, operator's manuals, instruction manuals, lists of recommended spares and other supporting literature in relation to the Goods, together with adequate information about the use for which the goods have been designed and have been tested and about any conditions necessary to ensure that, when put to that use, the Goods will be safe and without risks to health.

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.

(iii) 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.

Certificate of Conformance (Required for Goods Intended for Aircraft Applications and for Goods Where Required on the Relevant Drawing or Order)

The certificate of conformance is a quality record that shall include the Hymec Aerospace UK Limited part number, purchase order number, quantity shipped, date shipped, manufacturer's part number, and details of certified quality system as stated within the order. It should be signed to indicate compliance with the requirements of this document. These are to be submitted for all parts delivered to Hymec Aerospace UK Limited

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.

Production Process Verification (First Article Inspection)

Hymec Aerospace UK Limited requires all first deliveries of parts to include a full first article inspection (FAI) report be filled out by the manufacturer consistent with Aerospace standard EN9102A. 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. 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.



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Any discrepancies detected by the manufacturer during the FAI shall be notified to Hymec Aerospace UK Limited and a deviation should be sought in advance of any parts being shipped to Hymec Aerospace UK Limited

(iv) Record Retention

In addition to contractual requirements the supplier shall retain verifiable objective evidence of inspection and tests performed. Quality records shall be made available for evaluation for a contractually agreed upon period. Unless otherwise specified, this period shall be a minimum of 10 Years.

(v) Notification of Non-Conforming Product and Process Change

Under no circumstances shall a nonconforming part be sent to Hymec Aerospace UK Limited without a Hymec Aerospace UK limited approved deviation. Failure to comply with the above requirements will result in Hymec Aerospace UK Limited rejecting the product. The supplier shall notify the Hymec Aerospace UK Limited of changes in product and/or process definition and, where required, obtain Hymec Aerospace UK Limited approval.

(vi) Right of Access by Hymec Aerospace UK Limited, their Customer, and Regulatory Authorities
In accordance with contractual agreements, right of access by Hymec Aerospace UK limited their customer, and regulatory authorities shall be afforded to all facilities involved in the order and to all applicable records.

(vii) 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.

(viii) Delegation of Verification

1. Delegation of Product Verification can only be applied to those suppliers on the 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.
5. The scope of delegation shall be defined (e.g., all products, limitations based on part classifications, part number, commodity, part family, part criticality)
6. The supplier shall notify in writing of acceptance of delegation
7. Ongoing acceptance criteria to be documented

(ix) Personnel, Training & Awareness

You shall ensure all personnel are:

1. Suitably trained and competent for assigned tasks.
2. Qualified to perform assigned tasks on the basis of appropriate education, training and/or experience.



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3. Authorised and/or approved to carry out assigned tasks.

4. Aware of their contribution to product safety e.g ramifications of non-conforming product escapes, individual accountability, effects of deviating from procedures.

5. Aware of their contribution to product/service conformity e.g Importance of following procedures, reporting non-conformances, ensuring requirements are met.

6. Importance of ethical behaviour e.g fair rights, suitable communication behaviour between personnel at all levels, importance of reporting issues in a confidential manner.

(x) Counterfeit Parts Prevention

You shall implement processes or procedures to prevent the supply and use of counterfeit parts to Hymec Aerospace UK LTD. These processes/procedures should consider but are not limited to:

1. Training of appropriate persons in the awareness and prevention of counterfeit parts.

2. Control of supply chain, e.g use of authorised manufactures/distributors or other approved sources.

3. Ability to trace materials supplied to their source.

4. Quarantine of suspected counterfeit parts.

5. Prevention of re-entry of counterfeit parts into the supply chain.

14. Confidentiality

(i) This Order and the subject matter thereof shall be treated as confidential between the parties and shall not be disclosed or publicised to any third party for any reason without prior written consent.

(ii) You will not use our name or other identity for advertising or publicity purposes without our prior written consent.

(iii) You will not copy, publicise or make available to any third party any drawings, patterns, tooling of any kind, written

Instructions, specifications and other technical papers, supplied by us or produced by you at our cost for the purposes of this order, and the same shall remain our property and must be returned to us on demand free of charge.

15. Force Majeure

(i) We shall not be liable to you for failure to accept delivery of the Goods or provision of Services resulting from any breakdown of plant or apparatus, fire, explosion, accident, strike, lock-out or any other event or cause beyond our control.

(ii) If you fail to perform any part of this Order by reason of any event or cause specified in the preceding sub-clause we may at our discretion suspend or cancel the delivery of the Goods and/or the provision of Services under this Order without any liability to you for payment.

16. Assignment and Sub-contracting

You shall not without our prior written consent, assign, transfer or sub-contract the Order to any third party. Where approval has been granted you must flow down all applicable requirements



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including customer requirements, all Sub-contractors and suppliers must be approved and where required customer designated sources must be used.

17. Retention

Copies of all documentation involved within the process of satisfying this order shall be retained indefinitely as standard.

18. Patents

You will indemnify us against any and all liabilities, loss, damages, claims, costs and expenses arising out of any claim in respect of any infringement of any patent, trademark, registered design or copyright or other proprietary rights whether in the United Kingdom or elsewhere resulting from the design, manufacture, use, supply or re-supply of the Goods and/or the provision of Services under this Order.

19. Intellectual Property Rights

(i) The background Intellectual Property Rights of each party shall remain the property of that party save that both parties agree to grant the other a royalty-free, nonexclusive license to use its IPR limited to the extent necessary for the proper performance and provision of Goods and/or Services under this Order.

(ii) You will assign with full title guarantee your interest in any Foreground Intellectual Property Rights created or developed during the provision of Goods and/or Services under this Order and shall take all necessary action to vest such title in Hymec Aerospace.

(iii) We shall grant you a royalty-free, non exclusive licence to use the Foreground Intellectual Property Rights

20. Bankruptcy or Liquidation

If you shall become bankrupt or have a receiving order or administration order made against you or shall make any composition or arrangement with or any conveyance or assignment for the benefit of your creditors or shall purport so to do or shall have any application made against you under any Bankruptcy Act, or (being a company) if any resolution shall be passed, or an order of the Court be made that you be wound-up (save for the purposes of solvent reconstruction or amalgamation) or a receiver or manager be appointed by any creditor or any act shall be done which would cause any of the foregoing to be done, we shall be entitled to terminate the Order by written notice to you but without prejudice to any other right or action which we may have at the date of such notice.

21. Waiver

No omission or delay by us in exercising any of our rights will be treated as a waiver thereof, nor will any single or partial exercise of a right preclude any other or future exercise thereof or any exercise of any other right and a waiver of a right on one occasion will not constitute a waiver of such right in the future.



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22. Amendments

No variation or amendments to the agreement shall be binding on us unless made in writing and signed by one of our authorized representatives.

23. Third Party Rights

A person who is not a party to the Order shall have no rights under the Contract (Rights of Third Party) Act 1999 to enforce any term of this Agreement.

24. Law and Jurisdiction

The Order shall be construed and have effected in all respects in accordance with English Law and you agree to irrevocably submit to the exclusive jurisdiction of the English courts. Where any special conditions of purchase applicable to this order in conflict with these general terms and conditions, the special conditions shall prevail.