

Definitions

The Company is Stanmar Limited thereafter referred to as Stanmar Limited. The Supplier means the person, or company to whom the Purchase Order is addressed. The Goods mean the goods, work, materials or services specified in the Purchase Order. Additional Terms are conditions of purchase specified by the Company from time to time relating to the Company's purchase of particular types of goods and referred to in the Company's Purchase Order. Conditions of Purchase means the terms and conditions set out herein together with the terms stated on and referred to in the Purchase Order. A Purchase Order means an authorised, printed and numbered order form issued by the Company.

1. Applicable Conditions.

The conditions and the Order shall constitute the entire agreement between the Supplier and Stanmar Limited and shall, supersede any prior communications or representations between the supplier and Stanmar Limited including any Conditions of Sale issued by the supplier unless otherwise agreed.

2. Order Acceptance and Amendments

Goods will not be accepted or paid for unless supplied in accordance with the Order and a Stanmar Limited official Purchase Order form. The Supplier shall reference the Order Number on all correspondence. No changes to the Order will be accepted by the company unless agreed in writing by an authorised employee of Stanmar Limited.

3. Specification

All Goods under an Order shall conform to the quantity, quality standard and specification stated on the Order and shall be fit for the purpose required by Stanmar Limited 'free from any defect actual or latent.

4. Supply of Goods and Service Act 1982

If and in so far as these conditions are inconsistent with or add to the Supply of Goods and Services Act 1982, these conditions shall prevail.

5. Packaging and Carriage

- a) All Goods shall be securely and adequately packed, and the packaging marked with the Stanmar Limited Order Number. All packaging shall be non-chargeable and non-returnable, unless otherwise agreed.
- b) All goods to be delivered carriage paid. Failure to comply may result in the goods being returned at the suppliers risk and expense, unless otherwise agreed.

6. Release Documentation and Certificate of Conformity

- a) Where stated in the Inspection Requirements, a numbered Certificate of Conformity/Release Certificate detailing Order Number, Part Number, description, serial number and quantities delivered, shall accompany each consignment delivery.
- b) Where applicable the Supplier, shall provide one copy of the Certificate of Conformity/Release Certificate from the manufacturer of the Goods and one copy of the Supplier's own release documentation.

7. Delivery

- a) Delivery shall be strictly in accordance with the instructions detailed on the Order and shall be at the risk of the supplier. Deliveries unless otherwise stated shall be to the Stanmar Limited site
- b) If, for whatever reason delivery is not in accordance with the Order, then Stanmar Limited may, without prejudice to any other right or remedy, wholly or partially terminate the order without incurring liability to the Supplier.
- c) Title in the Goods shall pass to Stanmar Limited on delivery. Such passing of title shall not constitute acceptance of the Goods.
- d) In the event of Stanmar Limited being unable to accept deliveries, Stanmar Limited will have the right to suspend, wholly or in part, deliveries under the Order.
- e) No over deliveries will be accepted or paid for.

8. Inspection

- a) Inspection requirements shall be in accordance with the provisions on the Order.
- b) Where an Order is furtherance of an Aerospace contract or is for the Calibration of any Stanmar Limited equipment, the Supplier shall ensure that all Inspection Personnel have an annual eye examination carried out by a qualified optician. Records of the results must be retained and be available upon request.

9. Non-Conforming Product

- a) The Seller shall notify to the purchaser of all instances of non-conforming product.
- b) The Seller shall await arrangements from the purchaser for the disposal of any non-conforming product.
- c) The Seller shall flow down these requirements to all approved sub-suppliers and sub-contractors.
- d) Stanmar Limited shall have the right to reject at any time suppliers goods that are not in accordance with the purchase order, or fit for purpose.
- e) Rejected product shall be at the Suppliers risk and expense. Any product rejected shall be deemed as not having been delivered and will not pass through the GRN process and to accounts for payment.

10. Defects

It is a condition that the Seller must replace with all reasonable speed, free of charge or pay the cost of local replacement of any goods or parts thereof which may prove defective through faulty design (other than a design made or furnished by the Company) material or workmanship within 12 months from the date of delivery

If any goods supplied under the Order require further re-work or processing this will be agreed with the supplier before undertaking any such action including any associated costs.

Any supplier sending in defective product will be liable to Stanmar Ltd to cover the cost of any labour incurred in inspecting and rejecting product .This activity will be charged at a flat cost of £150.00 per instance.

11. Settlement Terms

Unless otherwise agreed, payment of the price will be based upon end of month and 45 days. The invoice must be forwarded to the companies registered office for processing and payment.

12. Price Basis

Unless otherwise agreed, the contract price will be a fixed price delivered to Stanmar Limited site as per the purchase order.

13. Company Property

All materials, patterns, dies, jigs, fixtures and like tooling together with any specifications, drawings, process sheets and the like, or any other property whatsoever supplied to the Seller by the Company to fulfil the order must not, without written consent of the Company be used for or in connection with the production of any goods whatsoever other than the goods ordered by us. The Seller shall ensure that such items are always identified as the property of the Company and must be returned to the Company immediately on demand.

Insurance of all our property such as mentioned in condition 14. Hereof together with materials, components or equipment free-issued by us in connection with our Purchase Order must be fully insured by the Seller against all risk of whatever nature until it has been received back by the Company.

It is a requirement of the company that the Seller will flow down to sub-tier suppliers the applicable requirements in their purchasing documents, including key characteristics where required.

The Seller will not use any sub-tier suppliers or special process sources, other than those approved by the Company and the end customer.

14. Indemnity

The Supplier hereby agrees to indemnify and hold harmless Stanmar Limited against all claims, damages, liabilities and costs in respect of the Order whatsoever resulting from:

Any damage, loss, death or injury caused by an act, negligence or omission of the Supplier or any of its own sub-contractors.

Any alleged or actual infringement of any patent, registered design, trademark or copyright in existence or pending at the date of the Order relating to the Supplies.

15. Design Rights

Any work in pursuance of the Order that includes design to be performed by the Supplier, all rights in such design shall be vested in Stanmar Limited and such design shall not be used except for the purpose of the Order, nor copied or communicated to any other party without written consent from the company. All drawings and other documents delineating or recording such, shall likewise be Stanmar Limited property and shall be returned as requested by Stanmar Limited on completion of the Order.

16. Work on Site

If any work in pursuance of the Order is to be carried out by or on behalf of the Supplier at Stanmar Limited works, it shall be subject to Stanmar Limited 'General Conditions' of Work on Site.

17. Confidentiality

All information associated with the Order shall be treated as strictly confidential between Stanmar Limited and the Supplier.

18. Publicity

All orders placed by the Company are strictly confidential. The Seller must not publish or cause to be published by any means whatsoever any details concerning the goods, the subject of a Purchase Order, without prior consent of the Company in writing.

19. United Kingdom Health and Safety at Work Act 1974

The Seller shall comply in respect of the goods with the duties laid down in section 6 of the Health and Safety at Work Act 1974 and shall indemnify the Company against all damage costs, losses, charges, expenses or liabilities whatsoever caused by or arising out of any breach of those duties.

20. Hazardous Materials

The Seller must advise upon receipt of a Purchase Order if the goods to be supplied contain any hazardous or harmful materials. In particular, the Company requires notice of the inclusion of Asbestos or substances referred to in the Montreal Protocol

21. Assignment

- a) The Supplier agrees that no work in satisfaction of the Order shall be assigned to any 3rd party company without prior written consent of a Stanmar Limited authorised person.
- b) All NADCAP approved supplier shall maintain a list of all sub tier approved suppliers including their scope of supply.
- c) When an operation or process is to be undertaken by a second or third stage sub-contractor, the Supplier shall first obtain written confirmation from a Stanmar Limited authorised person that the second/third stage sub-contractor is approved for that specific process prior to placement of an Order.

22. Partial Invalidity and Waiver

Any provision of the Order subsequently found to be invalid shall not in any way affect the validity or enforceability of the remainder of the Order. Any failure by either party to enforce any provision of the Order shall not be construed as a waiver of that or any other provision.

23. Communication and Notices

All communication including notices shall be in writing and addressed to the Stanmar Limited authorised person that placed the Order (name found at the foot of the Order) or the Stanmar Limited approved Quality Representative.

NOTE - All verbal communications between any Stanmar Limited personnel and the Supplier are not to be misconstrued as either being an Order or being an authorisation to make a change to any part of an Order. Prior written consent from a Stanmar Limited authorised person shall be obtained before any change to an Order can be applied.

The Supplier shall communicate the following to Stanmar Limited;

- a) Notify the Organisation of a nonconforming product within 24 hours.
- b) Obtain Organisational approval for nonconforming product disposition.
- c) Notify the organisation of change in product and/or process, change of suppliers, changes of manufacturing facility location and, where required, obtain organisation approval, and flow down to the supply chain the applicable requirements including customer requirements.

The Supplier shall communicate the following to all 3rd party Order related suppliers;

- a) All flow down procedures including Customer requirements.
- b) Record retention requirements.
- c) Rights of access requirements by the Organisation, their customer and regulatory authorities to all applicable areas relating to the Order and access to all relating records.

24. Termination for Convenience

Stanmar Limited shall have the right to terminate the Order in whole or part, at any time by serving on the Supplier written notice of termination. Upon receipt of such notice of termination, all terminated work shall be discontinued and Stanmar Limited shall pay to the Supplier such sum as is fair and reasonable in respect of any direct loss sustained by the Supplier by reason solely of such termination and the Supplier agrees to accept such sum in full and final satisfaction of all claims arising out of such termination. In the event of termination of the Order, the Supplier shall use its best endeavours to mitigate the loss arising from such termination. In no case shall the amount payable by Stanmar Limited for the terminated work exceed the price that would have been payable if the work had been completed. Stanmar Limited reserve the right to recover any part completed work, including any relevant jigs, tools, fixtures or documentation.

25. Termination for Default

- a) Stanmar Limited shall notify the Supplier of any breach of these conditions. If the supplier is unable to remedy such breach of default within the period of 30 days from the notice being given then Stanmar Limited reserves the right to terminate the Order in whole or part without incurring liability to the Supplier.
- b) Insolvency. In the event that the Supplier becomes insolvent then Stanmar Limited reserves the right to suspend or terminate the Order without incurring liability to the Supplier.

26. Applicable Law

This agreement and any Purchase Order shall be subject to and interpreted in accordance with the laws of England and the Supplier hereby submits to the jurisdiction of the English Courts. Any dispute or difference arising out of this agreement on any Order shall be referred to a single arbitrator with the provisions of the Arbitration Acts 1996 or any statutory modification or re-enactment thereof for the time being in force.

27. Access Rights and Control of Records

The supplier shall allow right of access to Stanmar Limited, their customer and Regulatory Authorities to the applicable areas of all facilities, and at any level of the supply chain involved in the order and to all applicable records.

The control and retention of any records relating to a Purchase Order shall be held for a period of 11 years unless otherwise specified, and in accordance with any customer approvals held by the Supplier.