

Purchasing Terms and Conditions



TERMS AND CONDITIONS DETAILED FORM PART OF ALL AML'S PURCHASE ORDERS AND SERVICE ORDERS
ACCEPTANCE OF A PURCHASE/SERVICE ORDER IMPLIES ACCEPTANCE OF THESE TERMS AND CONDITIONS

NOTICE: The purchase of any Products or Services by Buyer is expressly limited to and governed by these Terms and Conditions. These Terms and Conditions are incorporated into and made a material part of any purchase order issued by Buyer. Any acceptance of Buyer's offer is expressly limited to acceptance of these Terms and Conditions. Buyer expressly objects to and rejects any additional or different terms or conditions proposed by Seller. No Seller terms or conditions shall become part of the parties' agreement or shall modify these Terms and Conditions, even if signed by a representative of Seller, nor shall any course of performance, course of dealing, or usage of trade operate as a modification or waiver of these Terms and Conditions. By accepting any purchase order from Buyer, issuing an order acknowledgement or confirmation, or commencing to perform under Buyer's purchase order, Seller accepts and assents to these Terms and Conditions. Seller acknowledges that these Terms and Conditions apply to all purchases by Buyer and any of its affiliates.

1. DEFINITIONS

"Buyer" means Advanced Manufacturing(Sheffield) Limited (AML).

"Contract" means the purchase order issued by the Buyer(including any ancillary documents provided by the Buyer) and these Terms and Conditions.In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract.

"Products" means the equipment, parts, materials, supplies, and other goods Buyer has requested and Seller has agreed to supply to Buyer under the Contract, including any repaired or replacement Products provided by Seller in accordance with these Terms and Conditions.

"Seller" and/or "Supplier" means the entity or entities providing Products and/or performing Services for Buyer under the Contract.

"Services" means the Services Buyer has requested and Seller has agreed to perform for the Buyer under the Contract, including any Services that are reperformed by Seller in accordance with these Terms and Conditions.

"Terms and Conditions" means these General Terms and Conditions for the Purchase of Products or Services, together with any modifications or additional provisions specifically stated in Buyer's Purchase Order or specifically agreed upon by Buyer in writing.

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. Unless otherwise determined by AML, the supplier will work to the drawings, instructions, specifications, acceptance criteria and any other relevant technical instructions as laid down in the purchase order.

3. QUALITY SYSTEM REQUIREMENTS FOR SUPPLIERS *

- 3.1. All Suppliers, if requested, are to provide evidence of approvals and allow a Surveillance Audit if requested.
- 3.2. All suppliers must have a QMS/BMS that has been certified by a recognised auditing body, against the Standard that Buyer wishes to employ for the Purchase Order. Any changes to that approval certificate once provided to Buyer need to be passed on by Supplier.

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- 3.3. Where Special Processes are required the Supplier shall hold the relevant approvals, and confirm that employees have the required competency to conduct these special processes.
- 3.4. In the event where a sub tier Supplier is required the supplier shall only use customer designated or approved Suppliers. The Supplier shall flow down AML requirements to all sub tiers as applicable. AML will be notified, if applicable, of any changes to the Suppliers sub tiers.
- 3.5. Supplier will notify AML of any changes to processes, products or services if these are specified in the Purchase Order.
- 3.6. Supplier will have a system to prevent the use of counterfeit product.
- 3.7. Supplier should be in a position to demonstrate that their employees are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behaviour.

4. REVISIONS

No revision of this Purchase Order to any of the terms and conditions hereof shall be valid unless in writing and signed by an authorised representative of Buyer's Purchasing department.

5. DELIVERY; TITLE; RISK OF LOSS *

- 5.1. Delivery shall be strictly in accordance with the date (or delivery schedule) specified on the Purchase Order.
- 5.2. 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. Seller will make no delivery before the dates(s) stated on the Purchase Order.
- 5.3. The Buyer may at any time or times by notice in writing to the seller requesting a reasonable postponement to the date(s) of delivery of any goods without thereby incurring any liability. 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.
- 5.4. If the Seller has reason to believe that a delivery will be late, the Seller must give prompt written notice to the Buyer of a delayed delivery with the cause and a revised date. Buyer retains the right to cancel the Purchase Order if the delay is unacceptable.
- 5.5. Title to, and risk of loss, for all Products sold to the Buyer shall pass to the Buyer only after unloading Products at the delivery location selected by the Buyer. Unless otherwise noted on the Purchase Order, products shall be shipped by Seller DAP(Incoterms 2020) to destination specified on Buyer Purchase Order, freight prepaid, and Services shall be performed at the Buyer location specified.
- 5.6. Buyer will not be liable or held responsible for any delays or losses related to Buyer's failure to accept Products or Services that arise directly or indirectly from a Force Majeure event. If Seller suffers a delay due to such an event, Buyer may terminate any order where such delays exceeds or is reasonably likely to exceed twenty days.

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6. DELIVERIES MADE

- 6.1. If the Supplier delivers in excess of the quantity due the Buyer shall have the right to accept or reject the quantity in excess of that due.
- 6.2. Supplier will provide documented evidence of product conformity

7. 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.

8. 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 Product which contains defective material or workmanship or does not conform to specifications, samples or warranties. Failure to give notice of any defect or non – conformity shall not affect any warranty or operate as acceptance of any Product or Service with a latent defect. Any Product so rejected will be returned to Seller at their risk and expense, plus applicable carriage charges. No defective Product shall be replaced unless requested by Buyer.

9. RECORD RETENTION

In addition to contractual requirements specified in Purchase Order 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 by Buyer, this period shall be ten years.

In the event that the Supplier ceases trading, all relevant records shall be made available to Buyer if so requested.

10. NOTIFICATION OF NON-CONFORMING PRODUCT

The Supplier is required to notify the Buyer of any Product that does not conform to the requirements or specification stipulated in Purchase Order. Product may not be shipped until written acceptance is received from Buyer.

11. ADDITIONAL CLAUSES APPLICABLE WHEN SPECIFIED ON THE PURCHASE ORDER

11.1. RIGHT OF ACCESS BY AML, THEIR CUSTOMER AND REGULATORY AUTHORITIES

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

11.2. CERTIFICATE OF CONFORMANCE

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This quality record shall include the purchase order number, quantity shipped, date shipped, manufacturer's part number, details of certified quality system and, where applicable, the AML part number and manufacturer's date code (see 11.4 below).

It shall be signed by an authorised person to indicate compliance with the requirements of this document.

11.3. NOTIFICATION OF CHANGES

Changes to product design, process definition, raw material, suppliers / subcontractors, manufacturing method or location must be notified to the supplier. Material or parts may not be shipped until written acceptance is received from AML.

11.4. DATE CODE / LOT NUMBER CONTROL

Deliveries of parts/components with multiple date codes or multiple lot numbers shall be segregated such that each part/component is identifiable by its date code or lot number. The paperwork shall indicate where multiple date codes or lot numbers have been delivered, along with the associated quantity.

11.5. FIRST ARTICLE INSPECTION

If requested on Purchase Order, a First Article Inspection Report (FAIR) shall be completed by the manufacturer using the format specified in AS9102. The article on which the FAI was performed shall be clearly marked on both the part and the report.

The FAIR shall confirm that all processes, material specifications and dimensions are met. In the case of raw material or process, proof of acceptability shall be made available either through records or attached certificates.

Any discrepancies detected by the manufacturer during the FAI shall be notified to AML and a deviation sought in advance of any parts being shipped to AML. No non-conforming part shall be despatched without written approval from AML.

Failure to comply with the above requirements will result in AML rejecting the product.

Where a FAIR already exists for a part, and the drawing has been updated and there is a change in the form, fit or function of the part, then a partial FAIR may be submitted for the change/update only.

11.6. LOSS OF APPROVAL

The supplier shall inform the buyer in the event of loss or withdrawal of any relevant approval.

12. PAYMENT OF INVOICES

12.1 PURCHASE PAYMENT TERMS

The Purchase Order terms are 60 days from date of Suppliers Invoice.

12.2 SENDING OF INVOICES

All purchase invoices must be sent to the following email address in pdf format:- aml-invoices@mail.acloud.readsoftonline.com

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All purchase invoices must contain the Purchase Order, Part Number, and description of the purchased item.

13. COMPLIANCE

13.1 Conflict Materials

If your Products contain tantalum, tungsten, tin, or gold then you shall ensure that any items or materials forming part of the Products have been purchased from legitimate and responsible which are not involved in funding conflict. We may request that you provide to us all relevant information showing the source of such materials and your compliance with the relevant legislations.

13.2 Anti-Slavery

You warrant that you shall comply with all applicable anti-slavery and human trafficking laws and regulations, and shall not engage in any activity, practice, or conduct that would constitute an offence under the Modern Slavery Act 2015. You shall notify us immediately if you become aware of any actual or suspected slavery or human trafficking in your supply chain. You shall maintain a complete set of records to trace the supply chain of all Products and/or Services provided to us in connection with the Agreement. You permit us to inspect your premises and records to audit your compliance with your anti-slavery obligations.

13.3 Anti-Corruption

Each Party undertakes that it complies with all applicable laws and regulations relating to anti-corruption, including but not limited to, the Foreign Corrupt Practices Act, the Bribery Act 2010 and other applicable anti-bribery laws. Each Party represents that it has and shall maintain and adhere to an appropriate anti-corruption policy and processes.

13.4 Data Protection and Maintenance

Each Party shall comply with the obligations imposed on them under the Data Protection Act 2018 and applicable data protection legislation and privacy legislation in force from time to time in the United Kingdom. All records relating to the Agreement shall be maintained for a period of seven (7) years in a suitable filing system. Such records shall remain legible.

14. PERFORMANCE MEASURES

If Seller is classed as a key supplier by Buyer, then Key Performance Indicators will be employed and communicated to the Seller on a regular basis by Purchasing Function of the Buyer.

15. GOVERNING LAW

The Agreement shall be governed and interpreted in accordance with the law of England and Wales. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim.

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