**PREVAILING CONDITIONS**

Each contract (the Contract) made between the Company and the Supplier pursuant to an order, shall be subject to and incorporate in their entirety, these conditions and all the terms of the contract shall be those contained expressly or by reference in the Order. No order is binding on the Company unless issued on the Company’s Order Form and displaying a valid Purchase Order Number.

No amendments to the Company’s Order shall form part of the Contract unless agreed to in writing by a representative of the Company’s Purchasing Department. The Supplier acknowledging the order or starting work on the Order shall constitute the Supplier’s acceptance of the Order and the Terms and Conditions described herewith. No conditions submitted or referred to by the Supplier upon any documentation or orally shall form part of the Contract unless agreed in writing by a representative of the Company.

The contents of Company’s Order and the Terms and Conditions described herewith are distinct and severable and if any part shall be held unenforceable, illegal, or void by any arbitrator court or regulatory authority it shall not affect the validity or legality of the remaining parts of the Company’s Order and the Terms and Conditions described herewith.

**TITLE AND RISK**

Title to and property of all goods and materials supplied against this contract shall pass to the Company when delivery is made to the premises specified by the Company, without prejudice to the right of rejection under these terms and conditions or at common law.

**TIME**

Failure by the Supplier to adhere to any provision as to time contained in the Contract, shall entitle the Company at its option to treat the Contract as repudiated. The Company shall be entitled to exercise its option at any time after the period of time specified shall have elapsed and shall not be prejudiced by any delay or by giving time or other indulgence to the Supplier in exercising such option. Notwithstanding any repudiation of the Contract as herein before provided the Company shall be entitled to damages in respect of all costs, losses and expenses sustained by reason of the failure of the Supplier to meet the time agreed.

**DELIVERY**

Unless the Company agrees otherwise in writing, all goods and materials supplied are to be delivered by the Supplier carriage paid to the address for delivery specified in the Contract. Items delivered in advance of schedule without written authority from the Company may be returned to the Supplier and be subject to a charge covering administration and carriage.

**DELIVERY TOLERANCE**

The delivery performance will be measured against the acknowledged date of supply from the Supplier. The tolerance will be (-5, 0 working days) or 5 working days early and 0 days late. All orders must be satisfied in full.

**PRICE**

No payment of or on account of the Contract price shall constitute any admission by the Company as to the performance by the Supplier of his obligations under the terms and conditions hereof. All prices as stated on the Order are firm and not subject to increase.

**PAYMENT**

The liability for payment shall arise on delivery of the goods from the Supplier to a delivery point designated by the Company (without considering any deduction for set-off of counterclaim). Unless otherwise agreed with the Company payment terms are 30 days from the end of the month in which the goods are received, subject to the satisfactory delivery of the correct quantity, at the correct price to the correct technical specification Proof of delivery will be required in all cases

**INVOICE**

Any advice notes and invoices are to be addressed to CMC Precision Ltd Powell Engineering and must quote the order number, line number and item number as printed on the front of the Order.

**SUBCONTRACTING**

The Supplier shall not, without the Company’s prior written consent, assign, subcontract or make over this Order or any part thereof to any other person or company.

**FREE ISSUE**

The Supplier shall be liable for the value of any material which the Company may send to the Supplier on a free issue basis, in conjunction with this Order, and replace any that may be damaged or destroyed by fire or any other cause. Ownership shall remain with the Company.

**TOOLING**

The Supplier shall be liable for the value of any material which the Company may send to the Supplier on a free issue basis, in conjunction with this Order, and replace any that may be damaged or destroyed by fire or any other cause. Ownership shall remain with the Company.

**QUALITY ASSURANCE REQUIREMENTS**

The order will be subject to all reasonably applicable quality standards in addition to those specified on the Order (which may include but shall not be limited to any of the following conditions):

1. The Supplier shall ensure that the Order is carried out in accordance with their Quality Management System and each delivery of Goods shall be supported by a Certificate of Conformance.
2. The Supplier shall ensure that the Order is carried out in accordance with their BS EN ISO 9000 series registration and Goods shall be accompanied by a Certificate of Conformity referencing that standard.
3. The Supplier shall ensure that the Order is carried out in accordance with their AS/EN 9100 series registration and Goods shall be accompanied by a Certificate of Conformity referencing that standard.
4. The Supplier shall ensure that the Order is carried out in accordance with their NADCAP approval and Goods shall be accompanied by a Certificate of Conformity referencing that approval.
5. The Order shall be subject to inspection and verification at your premises (see Access).
6. The supplier shall be aware that the CMC Precision Ltd and its subsidiaries may from time to time conduct performance reviews on suppliers performance in terms of product quality and on time delivery and seek to work with the supplier to improve performance by means of such monitoring.

* The supplier may request such information at any time. The following requirements are in all cases mandatory:
* Supplier acknowledges their contribution to product or service conformity.
* Supplier acknowledges their contribution to product safety such as considering FOD (Foreign Object Debris) and FOD control.
* The supplier shall ensure that all persons under their control and involved in the fulfilment of the Order are aware of their contribution to product or service conformity.
* Unless specifically agreed otherwise, all Supplies shall be new
* The Supplier shall notify the Company of any non-conforming Processes, products or servives and seek the Company’s approval prior to delivery. In no instance shall non-conforming Supplies be delivered without the Company’s prior approval.
* The Supplier shall notify the Company of any changes in product and / or process definition and, where required obtain the Company’s approval.
* The Supplier shall notify the company of any changes of external providers or location of manufacture and obtain the Company’s approval
* The Supplier shall ensure that Quality records pertaining to the Supplies are retained for a period not less than fifteen years from fulfilment of the last requirement of this Order.
* At the expiration of such period set forth above and prior to any disposal of records, Supplier will notify the Company of records to be disposed of, and the Company reserves the right to request delivery of such records.
* The Supplier shall flow down to its sub-contractors the applicable Order requirements, including but not limited to, customer requirements and Terms and Conditions and where required key characteristics.
* The supplier shall use customer designated or approved external providers, including special process sources (NDT, Treatments, others) where required s defined within the contents of the PO.

**Right of Access**

Subject to the Company providing reasonable notice, the Supplier shall (and procure that its sub-contractors shall also):

* allow the Company and persons authorised by the Company (which may include the Company’s customer and / or regulatory authorities) access to the Supplier’s premises (and those of its sub-contractors) as are being used to carry out work on the Supplies in order to inspect and audit the facilities, processes and procedures used in manufacturing the Supplies;
* allow the Company and persons authorised by the Company (which may include the Company’s customer and / or regulatory authorities) access to all quality records pertaining to the Supplies.
* provide adequate data and documentation to the Company relating to progress of work on the Supplies and their quality;
* and provide all necessary assistance (including, where appropriate, access to office accommodation, telephone and fax facilities) to enable the rights set out above to be exercised fully.

**ENVIRONMENTAL**

The Supplier shall notify the company without delay if the goods or services being procured create a significant lasting adverse environmental or health impact over and above that reasonably necessary in its manufacture, storage, deployment, use or disposal and in the event of any breach of any environmental legislation.

**COUNTERFEIT SUPPLIES**

The Supplier shall ensure that the goods supplied do not include any counterfeit products. In fulfilling its obligations under the order the Supplier shall only acquire products from the original manufacturer or their registered stockists.

Evidence of the products traceability back to the original manufacturer, including batch numbers, must be maintained and made available on request.

**CONFLICT MINERALS**

The Supplier shall acknowledge that the Company may be required to provide to their customer certain information regarding any tin, tantalum, tungsten and gold (collectively, “Conflict Minerals”) that may be contained in products sold by the Company.

Upon the Company’s request, the Supplier shall promptly provide such written certifications concerning Conflict Minerals contained in Products sold by the Supplier to the Company (including components, parts and materials thereof) as the Company may request from time to time (hereinafter “ Certifications”).

The Supplier shall represent and warrants that it has adopted and will maintain adequate measures to enable such due diligence as to the source and chain of custody of Conflict Minerals as is necessary to determine:

* whether the products, components, parts or materials supplied to the Purchaser contain Conflict Minerals and, if so;
* whether in the case of each of those Conflict Minerals, that Conflict Mineral is:
* derived from recycled or scrap materials; or originates (or Supplier reasonably believes that those Conflict Minerals may originate) from the Democratic Republic of the Congo or an adjoining country (Angola, Burundi, Central Africa Republic, Congo Republic, Rwanda, Sudan, Tanzania, Uganda, Zambia (collectively the “Covered Countries”)).

Where Supplier determines that there may exist Conflict Minerals falling under the above the Supplier shall perform the necessary due diligence and make every effort to identify:

* the facilities used to process those Conflict Minerals; and
* the location of each mine or the location of origin of those Conflict Minerals with the greatest possible specificity. Supplier shall warrant that any information contained within the Certifications provided to the Company pursuant to the above shall be an accurate reflection of the outcome of Supplier’s due diligence.

For the purpose of definitions “adequate measures” shall mean any process which effectively incorporates a nationally or internationally recognised due diligence framework (e.g. due diligence guidance approved by the Organisation for Economic Cooperation and Development (OECD).

**MODERN SLAVERY AND CHILD LABOUR**

The Supplier must ensure that in the supply chain for goods or services provided, there is no servitude or forced labour, human trafficking, arranging or facilitating the travel of another person with a view that a person is being exploited or conducting any activities that contain violation of human rights. The Supplier shall warrant and represents that its products, parts, components and materials are not and will not be produced with child or forced labour.

**INDUCEMENT AND ETHICS**

The Supplier must be fully aware of the provisions of the UK Bribery Act 2010 (“the Act”) and has committed to comply fully with the Act and will not enter into any contract or arrangement which involves any act or omission anywhere in the world which breaches the ACT. Whether acting alone or with others the Supplier undertakes that it will not do or omit to do anything which constitutes an offence (whether or not the Supplier can be prosecuted) under the ACT. The Supplier shall have in place adequate procedures to prevent bribery. The Company reserves the right to terminate the Contract in the event that the Supplier is, or is likely to be, prosecuted under the Act or any other similar anti-bribery and corruption legislation in other countries.

In all cases the Supplier acknowledges the importance of ethical behaviour. CMC Precision Ltd has established the Code of Ethics statement below, which aims to provide its’ suppliers with guidelines on ethical principles and morals to work to whilst operating as a Supplier to CMC Precision Ltd and its subsidiaries.

Professional ethics are a set of principles that guide the behaviour of people in a Business context.

They are essential to maintaining the legality of Business and a healthy workplace. CMC Precision Ltd Code of Ethics statement is based on common ethical principles and morales, including:

* Respect for Others - Treat people as you want to be treated, with Dignity, Respect and Equality.
* Integrity & Honesty - Tell the truth and avoid any wrongdoing to the best of your ability.
* Fairness & Justice - Make sure you’re objective and fair and don’t disadvantage others.
* Lawfulness - Know and follow the law – always.
* Competence & Accountability - Work hard and be responsible for your work.
* Teamwork - Collaborate and ask for help.

Individuals and suppliers are expected to “do the right thing” and always behave and conduct themselves to a high standard, even when no one is watching. Individuals are expected to take responsibility for their actions.

Behaviours not tolerated under this Code of Ethics statement include, but are not limited to:

* Violence of any kind, harassment or victimisation of others
* Malicious, deceitful or petty conduct
* Theft or fraudulent activities
* Voluntary conflicts of interest
* Exploitation of others, their hard work and/or their mistakes
* Discrimination and/or favouritism

Suppliers shall ensure that persons under their control are aware of this or similar ethical behaviour statements and understand and be aware of the importance of ethical behaviour within the scope of their activities and area of responsibility or control.

**REACH**

Suppliers are required to notify the Company without delay should any goods or services become unavailable due to the Registration, Evaluation, Authorisation and Restriction of Chemicals Regulations (REACH). In the event that the Supplier is unable to continue to provide goods and/or services that are compliant with the Registration, Evaluation, Authorisation and Restriction of Chemicals Regulations (REACH), then the PARTIES agree that they shall enter into negotiations in good faith in order to find a mutually agreeable solution, including the possibility of the Supplier providing similar, REACH compliant goods and/or services. In the event that a mutually agreeable solution cannot be found within a reasonable time, the failure to provide the goods and/or services shall be held to be beyond the reasonable control of the parties and the contract shall be terminated on the grounds of an event of Force Majeure.

**WARRANTY**

In addition to any rights or remedies hereunder or by statute or implied at common law, the Supplier shall at our option undertake either to repair or replace with all speed, any defects or defective parts arising from whatever cause due to faulty design, materials or workmanship during the period of 12 months from the delivery to us (fair wear and tear excepted). In addition, items returned to the Supplier may be subject to a charge covering administration and carriage.

**HEALTH AND SAFETY**

The Supplier shall familiarise itself with and ensure that its sub-contractors and agents shall familiarise themselves with and comply with the Company’s procedures relating to discipline, fire, health and safety when on the site of the Company and such other procedures applicable to such other sites as the Order requires. The Supplier shall as soon as possible (and no later than on delivery) provide the Purchaser with all instructions drawn up by the Supplier or its subcontractors from time to time relating to the use and disposal of the Supplies and in particular draw attention to any dangers, hazards or restrictions associated with the Supplies.

**PRODUCT SAFETY**

In all cases the Supplier acknowledges their contribution and the expectation to manage and control activities within their scope of operation including that of their sub tiers in relation to product safety. The supplier by acceptance of an order received from CMC Precision Ltd and any of its subsidiaries, confirms that they have implemented controls, processes, documentation and other activities to ensure persons under their control are aware of their contribution to product safety. This includes but is not limited to, the management of safety related product characteristics, handling and packaging of critical products as well as maintenance of records applicable to products which must be maintained, produced, controlled and managed to ensure safe operation or use.

In all cases the Supplier acknowledges their contribution and the expectation to manage and control activities within their scope of operation including that of their sub tiers in relation to product safety. The supplier by acceptance of an order received from CMC Precision Ltd and any of its subsidiaries, confirms that they have implemented controls, processes, documentation and other activities to ensure persons under their control are aware of their contribution to product safety. This includes but is not limited to, the management of safety related product characteristics, handling and packaging of critical products as well as maintenance of records applicable to products which must be maintained, produced, controlled and managed to ensure safe operation or use.

**PATENT INDEMNITY**

The Supplier will indemnify the Company against any claim of infringement of Patent, Registered Design or other rights which arises as a result of the sale or use of the items supplied. This indemnity shall extend to all expenses, costs and damages that are incurred as a result of such action.

**CONFIDENTIALITY**

All information, Technical, Commercial and Privileged (Drawings, Costs, Forecasts) is confidential between the Company and the Supplier. No business information is to be disclosed to a third party without written consent.

**GUARANTEE**

Goods shall be supplied strictly in accordance with the quantities, specifications and stipulations of the Order.

**TERMINATION**

The Company may without prejudice to any other rights or remedies available to either party summarily terminate the Contract in respect of the whole or any part of the goods, work, materials or services, in the event that the Supplier:

* commits a breach of the Contract or any of its obligations to the Company defined herewith, or is unable to pay its debts in the ordinary course of its business as they fall due; or makes any arrangements with its creditors.
* or the Supplier having a Receiver or Administrative Receiver appointed.

**LAW**

This order shall, in all respects, be deemed to be made under and shall be interpreted according to English Law, on the understanding that the United Nations Convention on Contracts for International Sale of Goods (CSIG) shall not apply.

**WAIVER**

The rights and remedies of the Company under the contract shall not be diminished, waived or extinguished by the granting of any indulgence, forbearance or extension of time by the Company nor by any failure of or delay by the Company, in asserting or exercising any such rights or remedies.