

Maztech Precision Engineering Ltd Terms and Conditions of Purchase

Definitions: For the purpose of these Terms and Conditions: Agreement means the Purchase Order and the External Provider's acknowledgement of the Order;

Goods means any goods and/or services agreed in the Agreement to be purchased by the Purchaser from the External Provider (including any part or parts of them);

Order means the Purchaser's written instruction for the External Provider to supply the Goods, incorporating these Conditions; Purchaser means Maztech Precision Engineering Ltd. Unit 5-6 Amor Way, Dunhams Lane, Letchworth, Herts, SG6 1UG. External Provider means the person, firm or company who accepts the Order. Purchase Orders shall not become a binding contract to purchase the Goods unless and until accepted in writing by the External Provider. The Purchaser does reserve the right to revoke this Order at any time prior to the receipt of External provider's written acceptance.

Quality Control System: The External Provider shall provide and maintain a Quality Control System that will ensure all parts/material are shipped free of defects.

The External Provider will notify the Purchaser in writing of non-conforming product or services; and make arrangements for organisational approval of External Provider non-conforming material. The External Provider will notify Maztech Precision Engineering of changes in product and/or process, External Providers and facilities and, where required, obtain organisational approval for those changes. The External Provider will flow down to sub-tier external providers the applicable requirements in the purchasing documents, including key characteristics where required. The External Provider agrees to provide products or services that do not adversely affect product safety. The External Provider will not knowingly supply counterfeit parts, and will have a process in place for the detection of counterfeit parts. If the External Provider subsequently discovers or suspects counterfeit parts have been supplied to Maztech Precision Engineering they will notify the organisation immediately.

Purchase Inspection: All work under this Order may be subject to Purchaser inspection at the External Provider's facility during the performance of this Order.

Maztech Precision Engineering reserve the right for its employees or agents to survey the External Provider's facility and Quality System.

Certification of Conformance: The External Provider shall submit with each shipment a written statement signed by a qualified party certifying that items or services are in accordance with specified requirements. The document shall state that the External Provider has objective evidence of compliance to applicable specifications, traceable to the material/equipment supplied and available for review upon request.

Sub-Contracting: The External Provider shall not subcontract their processes without prior written agreement with Maztech Precision Engineering.

Substitution: The External Provider shall not substitute material or processes defined under this Purchase Order without prior written agreement with Maztech Precision Engineering

Test and Inspection Data: A legible copy of actual test and/or inspection results showing compliance with acceptable requirements of the applicable specification is required with each shipment.

Age Control Data: Materials furnished with age control limits shall be accompanied by a certificate showing date of manufacture (cure date) and recommended shelf life limitation.

Non-conforming Materials: The External Provider shall establish and maintain a positive system of identification and segregation to ensure that non-conforming material cannot be intermingled with acceptable material.

Corrective Action: The External Provider shall establish and maintain a corrective and preventive action system that will eliminate the causes of actual or potential non-conformities.

Quality Record Retention: The External Provider shall retain quality records for material & material traceability, process, batch and test records for a minimum of 15 years; if the External provider is subject to permanent closure or sale Maztech Precision Engineering must be given copies of these records. Such records shall be subject to Purchaser's audit.

Batch Control: Product on this order is subject to batch control and shall be grouped into identifiable lots or batches. Each batch or lot shall consist of units of product of a single type manufactured under the same conditions. All means of identification will carry applicable lot or batch numbers and be traceable to records and documentation to substantiate any requirement.

Prices: All prices are based on the purchase of Goods only. Additional charges for changed orders, financing or other requirements ("Additional Charges") shall be made in a separate written agreement between External Provider and Purchaser. Unless otherwise provided in writing (a) all prices are cash prices; (b) the total purchase price will be paid by the Purchaser on the terms set forth on the front of this Order; (c) the Total Price stated on the front if this Order includes all applicable taxes and duties; (d) Liability for any and all freight charges incurred in the shipment of the Goods shall be as stated on the front of this Order; and (g) price performance of this PO shall be at the prices no higher than specified on this document without prior written approval from the Purchaser.

Shipment: Unless otherwise provided in writing signed by the Purchaser, shipment will be made for the account of External Provider, and risk of loss shall pass to Purchaser at the place of delivery.

Delivery: The Promise date on the front of this Order is provided as a firm deadline and the External Provider acknowledges that the Purchaser may rely upon this date as a representation of the External Provider. The External Provider shall be liable for any damages incurred by the Purchaser if delivery of the Goods is not made within fourteen (14) days after the Promise Date (the "Delivery Period"). THE EXTERNAL PROVIDER AGREES THAT IT IS DIFFICULT TO ASCERTAIN THE MEASURE OF DAMAGES FOR LATE DELIVERY AND THAT THE REMEDY PROVIDED BY THIS SECTION IS FAIR AND SHALL CONSTITUTE ONE OF PURCHASER'S REMEDIES FOR LATE DELIVERY OF THE GOODS AND EXTERNAL PROVIDER SHALL BE RESPONSIBLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM LATE DELIVERY. In the event that the Purchaser cannot accept delivery of the Goods on the date when requested to do so by the External Provider, the External provider may, at the Purchaser's sole option (i) store any portion or all of the Goods at its plant and hold the Purchaser liable for the reasonable rental value for storage of such Goods, (ii) use any portion or all of the Goods ordered hereunder to fill other orders, or (iii) cancel this Order. The Purchaser's notification to the External Provider of its inability to accept delivery of the Goods and choice of option described above shall terminate all potential claims by the External Provider against the Purchaser for its failure to accept delivery.

Acceptance of Goods: Failure to reject the Goods tendered under this Order in writing received by the External Provider within fourteen (14) business days of delivery to the Purchaser constitutes acceptance of said Goods by the Purchaser. The External Provider agrees that this provision allows ample time to inspect the Goods and once having accepted the same, the Purchaser shall not be entitled to revoke acceptance thereof.

Waiver: The Purchaser's waiver of any default by the External Provider under this Order shall not constitute or be construed as a waiver of any other or subsequent default.

Ethical Behaviour: The Purchaser guarantees and in return demands of the External Provider the utmost standard of ethical behaviour in the execution of this contract. This is to include but not be limited to Human Rights, Health & Safety, Abuse of Position, Bribery and Corruption, Integrity in providing correct & full information and standards of Financial Propriety.

Remedies: The rights and remedies set forth above shall be cumulative and, except where expressly states as exclusive, in addition to any other remedy provided by law. The exercise of any remedy by the Purchaser shall not be deemed an election of remedies. Waiver by the Purchaser of a breach of any provision of this Order by the External Provider shall not be deemed a waiver of future compliance therewith and such provision, as well as other provision herein shall remain in full force and effect.

Headings: Headings are for convenience only and shall not be used to interpret the intent of the parties hereto.

Non-divisibility of order: This agreement is entire as to all of the performances to be rendered under it. Breach of any of the performances to be rendered by the External provider shall constitute a breach of the entire agreement.

Entirety of Order: This Order shall constitute the entire agreement between the parties hereto and can only be amended by a writing signed on behalf of each of the parties.

Applicable law: This Order shall be construed and enforced under the laws of England.