



# Purchasing Terms & Conditions

## **1) Definitions**

In these conditions the expression 'the Company' shall mean Hi-Tech Aerospace Components Ltd. 'Goods' shall mean all deliverable items described in our purchase order.

## **2) Orders Authorisation and Conditions of Order**

We shall not be liable in respect of any orders other than those issued or confirmed on our printed official forms duly signed by one of our authorised officials and the conditions set out herein shall be the conditions of the contract. No written or printed terms inconsistent therein or additional thereto shall be binding upon us unless expressly accepted in writing by one of our authorised officials and unless so accepted in writing, delivery of the goods shall be deemed to be an unconditional acceptance of this order.

## **3) 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

## **4) Specifications and Markings**

- a) The goods must be supplied exactly in accordance with the Purchase Order and any specifications, drawing, process instruction or procedure defined therein. No variation from the requirement shall be permitted without the written authority of the Company
- b) Except for the manufacturer's name, address and reference number, the date of manufacture and any other information relating to the function of the goods usually incorporated by the manufacturer, no marking not authorised by us shall appear on any part of the goods

## **5) Settlement Terms**

Unless otherwise agreed, payment of the price will be upon a net 60-day basis. The invoice must be forwarded to our registered office as shown above, unless otherwise stated.

## **6) Price Basis**

Unless otherwise agreed, the contract price will be a fixed price delivered to our premises

## **7) Company Property**

a) 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 our 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.

### **b) Insurance**

All our property such as mentioned in condition 7a) hereof together with materials and components free-issued by us in connection with our Purchase Order must be fully insured by the Seller against all risk of whatsoever nature until it has been received back by the Company

## **8) Indemnities**

The Seller shall indemnify and hold harmless the Company from any loss, damage and expense, including all legal fees, incurred or sustained by the Company caused by or resulting from any defect in the Goods or by reason of the failure of the Seller to conform to the terms of the Purchase Order

## **9) 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

## **10) Confidentiality**

a) All information which is or may be divulged to the Seller and any information relating to the Company business or products which may have come or may come into the possession of the Seller in the course of carrying out a Purchase Order, shall be treated by the Seller as strictly confidential and shall not without the prior written consent of the Company be disclosed to any third party or parties not be used or copied for any purpose(s) other than for the execution of the Purchase Order. The provisions of this condition do not apply to information which is or comes into the public domain otherwise than through a breach of this condition.

b) If a Purchase Order requires or permits the entry by the Seller or any permitted or approved subcontractor mentioned in Condition 12 thereof inside the Company factory it is a condition of the Purchase Order that the Seller and any subcontractor and its and their employees shall regard as strictly confidential any processes, specifications or other information which shall come into its or their knowledge in the course of any such entry and any such processes, specification and other information shall not be disclosed to any third party without previous consent in writing. The Seller shall obtain from any such subcontractor an undertaking in the terms of this condition.

## **11) Subcontracting**

The Seller shall not without prior consent of the Company in writing sub-let the contract or any part thereof other than for materials or for any part of the goods of which the makers are named in the order or specification. Any such consent shall not relieve the Seller of any of his obligations under the contract.

## **12) Delivery Date**

### a) Time for Delivery and Extensions

Time shall be of the essence of this contract. The goods shall be delivered at the time specified in the order. If, owing to industrial disputes or any causes outside the Seller's control the Seller is unable to deliver the goods within the specified time then provided that the Seller shall have given us notice in writing without delay of his intention to claim an extension of time the Company shall grant the Seller such extension as the Company may consider reasonable. In the event of significant delay, the Company reserves the right to terminate the Purchase Order in whole, or in part, without incurring any liability to the Seller.

### b) Deferment of Delivery

In the event of the Company's normal course of manufacture being interrupted, restricted, hindered or delayed by any cause whatsoever, beyond the reasonable control of the Company or by any exceptional causes whatsoever, the Company are at liberty to defer the date or dates of delivery

### c) Delay in Delivery

If the goods or any part thereof are not delivered within the time specified in the order or any deferment or extension of time or times the Company shall be entitled to recover from the Seller as liquidated damages and not by way of penalty at the rate of one half of one per cent (0.5%) per week for the first four weeks and at the rate of one per cent (1.0%) per week thereafter of that part of the contract price which is properly apportionable to the undelivered goods and to any other goods already delivered under the contract which cannot be effectively and commercially used by reason of the non-delivery of the said undelivered goods for each week or part of a week during which the order shall remain uncompleted. The Company shall be entitled to deduct such damages from any moneys otherwise payable by the Company under the terms of the Purchase Order or otherwise. The total amount payable by way of damages under this condition shall in no event exceed ten per cent (10%) of the said contract price and such damages shall not relieve the Seller from any of its other obligations or liabilities under the Contract.

## **13) Delivery**

a) The goods are to be delivered to the destination as ordered. They must be delivered in good order and condition. Quantities must not exceed those ordered or specified.

b) Unless specifically ordered, no cases, wrappers nor packing or any kind will be paid for. Should any cases arise where wrappers or packings be ordered, charges therefore are to be shown on a separate invoice and such cases may be returned to the Seller who shall forthwith on receipt thereof in good order refund charges therefore

#### **14) Quality Assurance and Surveillance**

The Company reserves the right of entry to the Seller's premises for its authorised Representatives, customers, customers' representatives, and/or the regulatory authorities, at mutually agreeable times, to carry out quality surveillance and product verification. Such surveillance/verification shall not absolve the Seller of its responsibility to supply conforming goods, and may not be used as evidence of effective control. Records of documents received by the Seller, and created by the Seller, shall be retained for 7 years and available for review by the Company, their customer, customers' representatives, and/or the regulatory authorities.

Records and documents relating to Rolls Royce or aerospace parts shall be retained by the Seller in accordance with RR9000 – SABRe requirements, available to Rolls Royce at any time and accessible within 24 hours.

All goods and/or services shall be provided by the Seller in accordance with one or more of the following clauses as detailed on the Purchase Order, and explained below:

- 1) This is part of an aerospace order and must satisfy the requirements of AS9100 or BS EN ISO 9001:2008
- 2) This is part of a Rolls Royce order and must satisfy the requirements of RR9000: Sabre process, procedural and material specification requirements
- 3) It is a requirement of this purchase order that Hi-Tech Aerospace Components Ltd and their customers reserve the right to verify at source that purchased items conform to specification
- 4) A Certificate of Conformity is required with the materials and/or services supplied with this purchase order
- 5) The order shall be subject to the Seller's quality organisation as registered to BS EN ISO 9001:2008. A Certificate of Conformity is required.
- 6) A Certificate of Analysis and Physical Properties is required. In the case of stockists, a copy of the original manufacturer's certificate is required.
- 7) The order is subject to the special requirements stated in the Purchase Order
- 8) A Commercial Advice Note only is required detailing the items being supplied.

It is a requirement of this purchase order that the Seller will flow down to sub-tier suppliers the applicable requirements in the 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.

#### **15) Non-Conforming Product**

- a) The Seller shall notify to the purchaser 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 sub-suppliers and sub-contractors.

### **16) Changes to product and/or process definition**

The Seller shall notify the purchaser of any changes in product and/or process definition, changes of suppliers, changes of manufacturing facility location and, where required, obtain the Company's' approval.

### **17) Defects**

a) 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

b) If any goods supplied under the Purchase Order requiring further processing before use shall prove to be defective whilst in the course of such processing the Seller will be liable to the Company for the cost of any labour expended in conjunction with such processing in addition to any legal rights which the Company may have in respect of such defective goods

### **18) Determination**

The Company shall be entitled at any time by fourteen (14) days notice in writing to determine the contract and on such determination:

a) The Seller shall assign to the Company if it is practicable to do so the benefit of any sub-contract entered into by the Seller in connection with the goods the subject of the purchase order, or terminate any such sub-contract

b) The Seller shall be entitled to be paid:-

i. The sums remaining payable to the Seller under the terms of the Purchase Order in respect of work done and goods provided up to the date of determination

ii. Any sums, which have necessarily been paid out by the Seller in order to carry out the Seller's obligations under (a) above

iii. Any other reasonable costs or expenses incurred by the Seller by reason of such determination.

The Seller will not be entitled to any further payment. Should any dispute arise as to the amounts to be paid to the Seller under (b) hereof the matter shall be referred to an arbitrator agreed upon between the parties (or in default of agreement, appointed by the President for the time being of the Institute of Mechanical Engineers) whose decision shall be final and binding upon both parties

### **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) Documentation**

Where appropriate the Seller shall provide the documentation comprising operating instructions and parts lists including comprehensive spares listing. All documentation supplied shall be in the English language, including that required under Condition 13 above

**22) Governing Law**

The contract shall in all respects be constructed according to, and governed by the Law of England

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[www.hi-techaerospace.com](http://www.hi-techaerospace.com)