

General Purchase Order Terms and Conditions for the provision of Goods and/or Services to API Design & Build Ltd.

## 1. Definitions

### 1.1 in these Conditions:

"Contract" means the contract between the Purchaser and the Supplier consisting of the Purchase Order, these Conditions, and any other documents (or parts thereof) specified in the Purchase Order;

"Delivery Date" means the date on which the Goods or Services are to be delivered to the Purchaser or Buyer, as specified in the Purchase Order

"Goods" means any such goods supplied to the Purchaser by the Supplier in connection with the Purchase Order

"Services" means any such Services supplied to the Purchaser by the Supplier in connection with the Purchase Order

"Price" means the price of the Goods as specified in the Purchase Order

"Purchaser" means API Design & Build Ltd

"Buyer" means API Design & Build Ltd

"Purchase Order" means the document setting out the Purchaser's requirements for the Contract

"Supplier" means the person, firm or company named in the Purchase Order.

"Party(ies)" Singularly, the Purchaser or the Supplier, and collectively both the Purchaser and the Supplier.

"API" means API Design & Build Ltd

## 2. General

2.1 Unless otherwise agreed in Contract, the purchase of Goods or Services by Buyer shall be governed by these General Purchasing Conditions (the "Conditions").

2.2 **The quality requirements applicable to the Supplier, in execution of a Purchase Order for any Goods or Service, are stated in Supplier Quality Manual – API-QM-02 (available on request).**

2.2 All these terms (including any annexes) will be collectively referred as the "Contract" and they will represent the full and complete understanding between Buyer and Supplier with respect to the subject matter thereof. Any additional, conflicting or different terms and conditions set forth in any invoice, in any acknowledgment of an Order or in any other document not properly executed by Buyer shall have no effect.

2.2 No partnership: Nothing in the Contract is intended to, or shall be deemed to, constitute a partnership of any kind between any of the parties.

2.3 The Contract contains the whole agreement between the parties in respect of the subject matter of the Contract and supersedes all prior written or oral agreements, arrangements and understandings between them relating to that subject matter.

2.3 The Contract may not be modified except by an instrument in writing signed by the duly authorised representatives of both parties.

2.3 Supplier shall not, without the prior written consent of API, appoint any sub-contractor or any person or persons to carry out its obligations under the Contract. If Supplier appoints a sub-contractor or other person to perform its obligations it shall remain liable to Buyer for the performance of all its obligations and shall ensure that any such sub-contractor or other person agrees to be bound by terms equivalent to those in the Purchase Order.

2.4 By accepting the Contract, Supplier acknowledges receipt of and thereby confirms that it has agreed to be bound by these terms and further acknowledges that these terms comprise the only terms upon which the Deliverables are supplied and that they shall not, and shall not be deemed to be, altered or varied to any extent by any previous correspondence or dealings between Buyer and Supplier.

2.5 Supplier shall not use the name, trade name or logos of API in any manner not approved by API.

## 3. Purchase Order

3.1 The Supplier shall ensure that the Goods and/or Services shall:

3.1a Correspond with the quantity, type, sort, quality and description set out in the Contract (or any modifications that may be agreed in writing by the Buyer).

- 3.1b Where applicable, be free from defects in design, materials and workmanship.
- 3.1c comply in all respects with the Contract and the implied conditions, warranties and terms contained in the Sale of Goods Act 1979, the Supply of Goods and Services Act 1982, related statutes and any statutory re-enactment(s) or modification(s) thereof.
- 3.1c Comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods.
- 3.1d If the goods and/or services do not comply with the API purchase order and/or instructions, the Buyer is entitled at its option to either return the goods at the risk of the Supplier; reject the goods and/or services; require the Supplier to re-perform the services or accept the whole or part of the goods and/or services supplied by the Supplier but without prejudice to any rights of API to claim compensation or damages for loss or damage suffered as a result of failure to comply.
- 3.1e If the Supplier fails to deliver the Goods and/or perform the Services by the date specified in the purchase order, the Buyer shall be entitled to terminate the Contract without notice.

#### **4. Assignment**

- 4.1 Supplier's rights and obligations under the Agreement may not be assigned in whole or in part without the prior written consent of Buyer (acting in its sole discretion) and any such consent shall not be deemed to relieve Supplier of any of its obligations and liability to Buyer pursuant to the Contract.
- 4.2 Buyer shall be entitled at any time by notice in writing to Supplier to assign the whole or any part of its rights and obligations under the Contract to any successor in title to the whole or part of that part of Buyer's business which relates to the Goods or Services.

#### **4. Prices and Payment**

- 4.1 Prices: Supplier shall deliver the Goods and/or perform the Services against the price(s) mentioned in the Contract. Unless expressly stated to the contrary, prices shall include packaging, supervision and consumables, shall be exclusive of VAT but inclusive of any other tax, levy or duty and shall be fixed and firm for the duration of the Contract.
- 4.2 Payment: Payment terms will be agreed with Supplier at point of Contract. Buyer can only process invoices which comply with Buyer's invoice instructions detailed in the Contract. Other invoices will be returned to Supplier and will lead to a delay in payment without any liability to Buyer for interest or otherwise.

#### **5. Passing of Title and Risk**

- 5.1 Unless Incoterms are agreed (in which risk shall pass to Buyer in accordance with the agreed Incoterms), title and risk in the Goods shall pass to Buyer on completion of delivery at the place specified in the Contract.
- 5.2 Neither payment by, nor passing of title or risk in the Goods or the Services to Buyer shall be deemed to constitute acceptance of the Goods or the Services.

#### **6. Inspection**

- 6.1 Payment for the Goods or Services or inspection thereof shall not constitute acceptance hereof. All Goods and Services are received subject to Buyer's inspection and acceptance. Goods which are not in accordance with agreed specifications will be held for Supplier's instructions and at Supplier's risk and expense. If instructions are not received within fifteen (15) calendar days after notice of rejection, Goods may be returned at Supplier's expense. No goods returned shall be replaced without Buyer's written consent.

#### **7. Force Majeure**

- 7.1 Either Supplier or Buyer will be excused from the obligations of the Agreement to the extent that performance is delayed or prevented by any circumstance (except financial) beyond its control and unforeseeable at the time of entering into the Contract, provided that the party claiming Force Majeure (a) notifies the other party no later than 5 calendar days with the reasonable details including any expected impact and expected duration of the Force Majeure event and (b) avoids any discrimination of the other Party in respect of other suppliers or buyers (including internal use) as the case may be.

#### **8. Applicable Law and Jurisdiction**

8.1 The Contract shall be governed by, and construed in accordance with, English law, and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

**9. Compliance with Laws and Non-discrimination**

9.1 Supplier shall comply with all laws, ordinances, rules and regulations applicable to it in connection with the Order.

**10. Indemnification and Insurance**

10.1 To the fullest extent permitted by applicable law Supplier shall indemnify Buyer, and hold Buyer harmless, from and against all loss, claims, damages and liability arising from or relating to Supplier's performance of the Contract or any defects in the Goods or Services supplied thereunder, except to the extent that such loss, claims, damages or liability are caused by Buyer's gross negligence or wilful misconduct.

10.2 At all times, Supplier shall have sufficient insurances in place and provide written evidence to Buyer upon request.

**11. Confidentiality**

11.1 The Supplier shall treat all information belonging to the Purchaser as confidential and safeguard it accordingly and shall not disclose any confidential information without the prior written consent of the Purchaser

**12. Business Ethics**

12.1 Supplier shall not pay any salaries, commissions or fees (or make any other payments or rebates) to any employee, officer or director of API (or any designee of such employee, officer or director) or favour any such individual with gifts, entertainment, services or goods.

**13. Privacy**

13.1 Any personal information provided by one Party to the other may only be used in connection with the Order and may not be used for direct marketing or transferred to a third party.

**14. Termination**

14.1 In addition to clause 3.1e and 6.1, either party shall be entitled to terminate any Order for the purchase of Goods and/or Services on these terms and conditions if:

14.1a the other party is in breach of any material term and, if such breach is capable of remedy, has not remedied the same within 14 calendar days after having been so requested by the non-defaulting party; or

14.1b a liquidator, receiver, administrative receiver is appointed in respect of the other party, if the other party makes or proposes to make a composition with creditors or ceases to carry on business or if the first party reasonably believes that such an event is about to occur.

**15. REACH**

15.1 Supplier certifies that all chemical substances subject to the Regulation of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") supplied to Buyer have been correctly submitted for registration to the European Chemicals Agency according to statutory registration deadlines or there is an exemption for such registration.

15.2 Upon request from Buyer, Supplier shall promptly provide Buyer with access to all necessary information and records evidencing the goods' REACH compliance. Additionally, Supplier shall promptly provide material declarations upon request with respect to the goods provided to Buyer hereunder and subject to reasonable confidentiality provisions which enable Buyer to meet its compliance obligations.

**16. Prevention of counterfeit parts**

16.1 Suppliers/external providers will only supply Company with genuine parts and materials obtained from original or authorized manufacturers, authorized distributors, or other approved sources. The traceability of parts and components to their original or authorized manufacturers shall be maintained

**17. Notification of Changes and Non-conforming Product**

17.1 The supplier must notify Company Ltd in writing of any proposed changes to the product and/or process definition (including changes of their external providers), facility location and, where required, obtain Company Ltd / customer approval.

17.2 The supplier must also notify Company Ltd in writing of any processes, products, or services prior to shipment and receive authority on the disposition / release of parts to Company Ltd.

**18. Management Systems**

18.1 Unless otherwise agreed the supplier shall have in place a third-party certified management system that meets the requirements of AS 9100 / ISO 9001 for all aerospace materials and products

**19. Customer Nominated Sources**

19.1 The Supplier must use all customer designated or approved external providers, including process sources, nominated sub-tier suppliers of processes and materials identified by the customer.

**20. Communication of information and conditions**

20.1 The Supplier must flow down to any sub-tier suppliers or other external providers the applicable requirements contained in Company Ltd purchasing documents, including key characteristics and relevant terms and conditions of supplier where required.

**21. Record Retention**

21.1 The supplier shall maintain all associated records and documented information related to the materials, goods or services supplied and shall not destroy any associated records or information without permission from Company Ltd.