

Standard Conditions of Purchase

1. DEFINITIONS

In these conditions and all texts relating to the purchase order the following definitions will apply save where the context otherwise requires.

The 'Order' means the signed purchase order and any amendment in writing thereto.

The 'Purchaser' means Monad Precision Engineering Limited, whose address is Montague House, 615-621 Kingston Road, Raynes Park, London, SW20 8SA.

The 'Supplier' means the supplier, sub-contractor, stockist or person on whom the Order is placed.

The 'Supplies' means all articles, materials or work in the subject of the Order.

The 'Specification' means any written specification of technical requirements, drawings, description of the Supplies or the Supplier's proprietary specification defined or referred to in the Order.

2. APPLICATION

- a) These conditions of purchase shall form an integral part of the Order and shall apply except to the extent that they may be inconsistent with any special conditions on the Order or otherwise incorporated by reference on the Order. Such special conditions shall not be varied except with the written agreement of the Purchaser and Supplier as confirmed by amendment to the Order duly signed on behalf of the Purchaser by an authorised signatory.
- b) These conditions of purchase and any such special conditions exclude any other terms and conditions inconsistent therewith which the Supplier might seek to impose even though such other terms and conditions may be submitted in a later document and/or purport to exclude or supersede any terms and conditions inconsistent with them or may be contained in any acceptance or counter offer made by the Supplier.

3. ACCEPTANCE OF ORDER

- a) The Supplier must accept the Order within 14 days of receipt. Failure to do so will give the Purchaser the right to cancel the order. Completion of a written receipt shall be deemed final acceptance of the Order.
- b) Commencement of work under the Order will be normally construed as acceptance by the Supplier of these conditions of purchase and any special conditions. Notice will be taken of any outstanding objections under negotiation. The Purchaser will not accept responsibility for any Supplies unless supplied in accordance with the Order.

4. ASSIGNMENT

The Supplier shall not assign or transfer or purport to assign or transfer the Order or the benefits thereof to any other person without the prior consent of the Purchaser, such consent to be given as the case may be at the Purchaser's sole discretion.

5. DELIVERY AND RISK

- a) Time of delivery shall be of the essence and shall be strictly in accordance with the Order. The Purchaser will have the option to cancel the order wholly or in part without liability to the Purchaser where delivery is not made on the date(s) specified without prejudice to any other right or remedy which the Purchaser may have. The Supplier shall not be liable for delays in delivery due to causes beyond the Supplier's control and without the Supplier's fault or negligence including Act of God, fire, flood, explosion or earthquake, quarantine restrictions, serious accidents, Government actions, war, riot, insurrections or labour disputes provided that in such cases the Supplier promptly notifies the Purchaser of any delay or anticipated delay as soon as it is known and resumes performance as

Standard Conditions of Purchase

soon as possible thereafter. Where any such delay exceeds 30 days the Purchaser shall be entitled to cancel the order without liability to the Purchaser except in respect of Supplies already delivered to the Purchaser prior to such cancellation.

- b) Delay in delivery which arises directly from the failure to perform of any of the Supplier's sub-contractors will not be accepted as an excusable reason for delay unless there is a proven case of 'Force Majeure' affecting or having affected the sub-contract concerned and the Supplier has promptly notified the Purchaser accordingly.
- c) If, due to circumstances beyond the control of the Purchaser including, but not restricted to, Act of God, fire, flood, strikes and lockouts whereby the Purchaser is unable to take delivery of the Supplies on the specified delivery date, the Purchaser may wholly or partly suspend acceptance of deliveries.
- d) Unless otherwise agreed by the Purchaser in writing, the Supplies shall be at the risk of the Supplier until delivered to the Purchaser or its authorised agents.

6. ACCESS

Representatives of the Purchaser are permitted to visit the Supplier's premises and those of any permitted sub-contractor(s) at any reasonable time to check the progress of the work on the Suppliers and the Quality Manager of the Purchaser or his representative or any other Representative of the customer of the Purchaser or the customer's agent or any Government Department concerned shall be entitled on the authority of the Purchaser to inspect the Supplies which are the subject of the Order, at any reasonable time at the Suppliers works or at the premises of permitted sub-contractor(s).

7. PASSING OF PROPERTY

Without prejudice to the Supplier's other obligations herein title to the Supplies shall pass to the Purchaser upon delivery at the Purchaser's works or other place as may be defined on the Order.

8. INSPECTION AND REJECTION

- a) The Supplies shall be subject to whichever of the quality assurance conditions are specified on the face of the Order.
- b) The Purchaser reserves the right through its Chief Inspector to reject any of the Supplies which are not compliant with the specification or which do not meet the required standards of design, material, workmanship or which are not in accordance with the Supplier's samples approved by the Purchaser. The Purchaser may return such rejected Supplies to the Supplier at the Supplier's risk and expense, and the Supplier shall accept a debit note to the value of such Supplies and credit the value of such Supplies to the Purchaser's account and promptly supply replacement supplies which in all respects are in accordance with the Order without prejudice to any further remedies by way of damages or otherwise which the Purchaser may have against the Supplier.
- c) The provisions of clause 8 (b) of these Conditions do not modify in any respect the responsibility the Supplier has for ensuring that all materials, components, parts, sub-assemblies and assemblies are of new manufacture and are in accordance with the Specification and meet the required standards of workmanship.

9. ADVICE/RELEASE CERTIFICATES

- a) The Supplier shall on the day of despatch of each consignment send advice note(s) and such Certificate(s) of Conformity and invoice(s) as may be indicated by the items of the Order.

Standard Conditions of Purchase

- b) Stockists shall provide copies of the original manufacture's Certificate of Conformity/Approved Certificate together with test figures, heat treatment particulars, etc where applicable with each consignment of the supplies.
- c) The Supplier shall clearly mark the Purchaser's Order number and item number on each consignment package, packing note, advice note, Certificate of Conformity/Approved Certificates and all correspondence relating thereto.
- d) The Supplier shall ensure that any Certificate of Conformity/Approved Certificate shall bear the following statement. 'The whole of the Supplies detailed hereon have been tested and inspected, and unless otherwise stated above, conform to the full requirements of the appropriate Specification and Order', or an alternative statement of conformity. The Supplier shall ensure that each such Certificate is signed by the executive of the supplier responsible for product quality (or approved signatory).

10. QUANTITY

No quantity delivered over and above that called for on the Order will be accepted or paid for without the prior agreement in writing of the Purchaser.

11. PRICE

- a) Where prices have been agreed, no alteration to prices shall be made without the consent of the Purchaser in writing.
- b) Where the Order is marked 'Price to be Agreed (TBA)' quotations must be submitted by the Supplier and shall be formally accepted by the Purchaser by confirming Order amendments before any binding contract shall be made.
- c) All prices shall include packing and boxing of the Supplies in accordance with the instruction on the face of the Order. All cases and packaging material will be non-returnable and non-chargeable unless the contrary is stated on the Supplier's advice note, in which event such cases will be returned at the Supplier's expense.
- d) Any indirect charges which have been agreed pursuant to Clause 5 (d) of these conditions of purchase shall be separately detailed in the invoice.

12. INVOICES AND PAYMENTS

- a) The Supplier shall ensure that prior to submitting to the Purchaser any invoice, debit note or credit note raised in connection with the Order, details of the suppliers bank sort code, account number and bank name and address have been advised to the purchaser.
- b) Invoices should be submitted on the day of despatch and should quote Order number, item number, part and drawing number, description and quantities.
- c) All invoices shall state the price of the Supplies exclusive of Value Added Tax (VAT) and show the Amount of VAT (if any) separately.
- d) The Purchaser's normal method of Payment against the value of approved invoices, less any Supplier's credit notes or Purchaser's debit notes applicable will be made by Bankers Automated Clearing Services such that accounts will be become payable at the end of the month following the month in which delivery of the Supplies has taken place. N.B. earlier payment may be made subject to satisfactory discounts being arranged.

Standard Conditions of Purchase

13. FREE ISSUE

- a) All specifications, drawings, patterns, tools, materials and other equipment and data loaned by the Purchaser to the Supplier for use in connection with the Order, will remain at all times the Purchaser's property and be surrendered to the Purchaser upon demand in good and serviceable Condition (fair wear and tear accepted) and are to be used by the Supplier solely for the purpose of completing the Order.
- b) Free issue items as categorised under 13 (a) while in the Supplier's possession or control be at the Supplier's risk and shall be maintained in good and serviceable condition.
- c) The Purchaser will not accept liability for any free issue items as categorised under 13 (a) received by the Supplier from the Purchaser in a damaged state under or in connection with the Order unless such damage is ratified in writing to the Purchaser within five days of the receipt by the Supplier of such parts or materials.

14. PRODUCT AND DOCUMENTATION

The Supplier shall comply with every requirement of the Purchaser's relevant specification or Direction, if any, relating to product. The Supplier shall ensure documentation relating to the Purchaser's product is retained for a minimum of five years.

15. CONFIDENTIALITY

The Order and the subject matter thereof shall be treated as confidential between the Supplier and the Purchaser and shall not be disclosed in whole or in part by the Supplier or any sub-contractor of the Supplier to any third party or used by the Supplier or any such sub-contractor for any purpose other than supplying the supplies to the Purchaser. All specifications, design drawings and information, and all copies thereof must be retained in safe custody and maintained in good condition until disposal is agreed upon by the Purchaser.

The Supplier shall not make use of the Purchaser's name or of any information contained in the Order or related documents, for publicity purposes without the Purchaser's written consent.

17. INTERPRETATION AND SEVERANCE

- a) Clause headings are for convenience only and shall not govern the interpretation of these standard conditions of purchase.
- b) In the event that any condition or provision of the Order shall be nullified or made void by Government law, decree, regulation or order, or by the decision or order of any Court having jurisdiction, the remaining terms, conditions and provisions of the Order shall remain in full force and effect.

18. APPLICABLE LAW

- a) These conditions shall be governed by, construed shall take effect in accordance with the Laws of England and any action arising there from shall be brought only in a court in England.
- b) Nothing in these Conditions shall prejudice any condition or warranty (express or implied) or any other right or remedy to which the Purchaser is entitled in relation to the Supplies by virtue of statute law, common law or otherwise.

19. ADDITIONAL REQUIREMENTS

The Supplier shall NOT sub-contract any of the Order without prior written approval of the Purchaser.

The Supplier MUST notify the Purchaser of any nonconforming supplies and obtain Purchaser approval for nonconforming supplies disposition.

Standard Conditions of Purchase

The Supplier MUST notify the Purchaser of changes to manufacturing process or location in regard to the Supplies stated in the Order and obtain prior written approval for such changes.

20. AS9100 REV D REQUIREMENTS

Where our Purchase Order indicates release requirements to AS9100, the Supplier shall :-

- a) **Ethical Behaviour:** Suppliers shall conduct business in an ethical manner and ensure that a requirement for a similar conduct is flowed down to sub-tier suppliers.
- b) **Prevention of Counterfeit Parts:** the Supplier shall implement controls to ensure the prevention of counterfeit parts/materials use and their inclusion in products delivered to the Purchaser. The controls shall include for counterfeit parts/materials Avoidance, Detection, Disposition and Mitigation.
- c) **Product Safety:** The Supplier shall identify the criteria required to control the processes needed to assure product safety during the entire product life cycle, as appropriate to the organisation and the product.

The Supplier is to provide to the Purchaser, objective evidence of compliance on request.

21. METAL FINISHING OPERATIONS

For all metal finishing operations (plating, painting etc), no stripping and/or reprocessing shall be undertaken without the explicit written approval of the Purchaser who will require detailed definition of the proposed operations in advance.

Valid from 5th February 2024