

ECMD Purchase Order Ts and Cs issue 3.DOC

TERMS AND CONDITIONS DETAILED FORM PART OF ALL ECM DEVELOPMENTS LTD PURCHASE AND SERVICE ORDERS
ACCEPTANCE OF A PURCHASE/SERVICE ORDER IMPLIES ACCEPTANCE OF THESE TERMS AND CONDITIONS

1. DEFINITIONS

"Contract" shall mean any contract resulting from this order

"Order" shall mean this purchase order

"Buyer" shall mean ECM Developments Ltd (ECMD Ltd)

"Seller" and/or "Supplier" shall mean the person on whom this order is placed

"Goods" shall mean the supplies to be delivered under the contract and shall be deemed to include any service(s)

2. ACCEPTANCE

This purchase order constitutes buyer's offer to seller, and is a binding contract on the terms and conditions set forth herein when it is accepted by seller either by the acknowledgement or the commencement of performance hereunder. No condition stated by the seller in accepting or acknowledging this order shall be binding upon buyer if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless accepted by buyers written approval.

3. REVISIONS

No revision of this order of any of the terms and conditions hereof shall be valid unless in writing and signed by an authorised representative of buyer's purchasing department.

4. DELIVERY

4.1 Delivery shall be strictly in accordance with the delivery schedule set out in this order. Notwithstanding this provision, the seller shall not be liable for delays or defaults due to causes beyond its control and without its fault or negligence, provided however, that if the seller has reason to believe that deliveries will not be made as required, due to such cases, written notice setting forth the cause of any anticipated delays shall be given immediately to buyer.

4.2 The supplier shall complete and deliver the goods at the time or times specified in the order and in this respect time shall be of the essence.

4.3 The buyer may at any time or times by notice in writing to the seller postpone the date(s) of delivery of any goods without thereby incurring any liability and the seller shall deliver such goods on the revised date(s) so notified and shall not make any claim for adjustment in price or otherwise in respect of any such postponement unless otherwise agreed in writing by the buyer.

5. DELIVERIES MADE

5.1 If the supplier delivers quantities in excess of the quantity due the purchaser shall have the right to accept or reject the quantity in excess of that due.

5.2 The buyer shall not be obliged to accept delivery of any goods prior to the delivery date and if the seller shall do so:

- a) the buyer shall be entitled to charge storage to the supplier and
- b) the date for payment shall be calculated according to the due delivery date

6. TERMINATION

Failure to comply with the specification, terms and conditions of this order, or to deliver material in accordance with sellers promise shall be grounds for cancellation without penalty to buyer.

7. ACCEPTANCE AND REJECTION

All articles will be subject to final inspection and acceptance by buyer within a reasonable time after receipt at the designated destination, irrespective of prior payment. Buyer may reject any article which contains defective material or workmanship or does not conform to specifications, samples or warranties. Any article so rejected may be returned to seller at seller's risk and expense, and at full invoice price plus applicable transportation charges both ways. No defective article or material shall be replaced unless requested by buyer.

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- 7.1 CERTIFICATE OF CONFORMANCE (REQUIRED FOR GOODS INTENDED FOR AIRCRAFT APPLICATIONS AND FOR GOODS WHERE REQUIRED ON THE RELEVANT DRAWING)**
The certificate of conformance is a quality record that shall include the ECMD Ltd part number, purchase order number, quantity shipped, date shipped, manufacturer's part number, manufacturer's date code (see below) and details of certified quality system. It should be signed to indicate compliance with the requirements of this document. These are to be submitted for all parts delivered to ECMD Ltd.
- 7.2 DATE CODE/LOT NUMBER CONTROL (REQUIRED FOR GOODS INTENDED FOR AIRCRAFT APPLICATIONS AND FOR GOODS WHERE REQUIRED ON THE RELEVANT DRAWING)**
Deliveries of parts/components with multiple date codes or multiple lot numbers must be segregated such that each part/component is identifiable by its date code or lot number. The paperwork must also reflect if multiple date codes or lot numbers have been delivered with the associated quantity.
- 7.3 FIRST ARTICLE INSPECTION**
ECMD Ltd requires all first deliveries of parts to include a full first article inspection report be filled out by the manufacturer. The sample on which the FAI was conducted shall be clearly marked, both on the sample and the FAI report. Where the drawing has been updated and there is a change in the form, fit or function of the part, then an FAI must be submitted for the change/update only.
- The FAI should confirm that all processes, materials and dimensions are met. In the case of raw material or process i.e. paint, chromate, proof of acceptability shall be made available either through records or attached certificates. Drawing notes should be referenced and their acceptance confirmed.
- Any discrepancies detected by the manufacturer during the FAI shall be notified to ECMD Ltd and a deviation should be sought in advance of any parts being shipped to ECMD Ltd. Under no circumstances shall a nonconforming part be sent to ECMD Ltd without an ECMD Ltd approved deviation. Failure to comply with the above requirements will result in ECMD Ltd rejecting the product.
- 7.4 RECORD RETENTION**
In addition to contractual requirements the supplier shall retain verifiable objective evidence of inspection and tests performed. Quality records shall be made available for evaluation for a contractually agreed upon period. Unless otherwise specified, this period shall be a minimum of ten years.
- 7.5 NOTIFICATION OF NON-CONFORMING PRODUCT**
The supplier to notify the organisation of changes in product and/or process definition and, where required, obtain organization approval
- 7.6 NOTIFICATION OF BUSINESS OR PROCESS CHANGES**
The supplier is to notify the organisation of any business changes affecting product or services and, where required, obtain organisation approval
- 7.7 RIGHT OF ACCESS BY ECMD LTD, THEIR CUSTOMER AND REGULATORY AUTHORITIES**
In accordance with contractual agreements, right of access by ECMD Ltd, their customer, and regulatory authorities shall be afforded to all facilities involved in the order and to all applicable records,
- 7.7 KEY CHARACTERISTICS**
Where Identified within the specification, drawing and/or purchase order the supplier shall flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.
- 7.8 COUNTERFEIT AVOIDANCE and Mitigation** It is the supplier's responsibility to ensure that all products supplied to ECMD Ltd are genuine and sourced from reputable markets. Therefore, to this end, ECMD Ltd expects the supplier to have a Counterfeit Avoidance and Mitigation policy or process in place.
- 7.9 PRODUCT SAFETY** The supplier should make all staff aware of product safety requirements.
- 7.10 ETHICAL BEHAVIOR Anti-Bribery & Corruption** ECMD Ltd strives to ensure that its workforce maintain certain standards of not only responsibility but also respectability. Therefore, to ensure that this extends to the supply base ECMD Ltd expects each supplier to have an Anti-Bribery & Corruption policy.