



Supplier Purchase Order Requirements

PETER DAY PRECISION & HIGHTOWN ENGINEERING
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Authorised By	Title	Signature	Date
B Wigley	General Manager		12/09/2023
L Clinton-Parker	Quality Manager		12/09/2023

1. SCOPE

This document has been developed to communicate to suppliers the expectations of Peter Day Precision Engineering Ltd (PDP) in order to obtain and maintain the quality of products and the contractual compliance by PDP and its customers. It is based upon EN/AS 9100.

Holders of these requirements must ensure they are working to the correct revision. The correct revision is available on the PDP internet website -

<http://www.peterday.co.uk>

2. CONTACTS

General Manager – Ben Wigley (ben.wigley@vpeg.uk)

Production & Purchasing Administrator – Nichola Burdis (nburdis@peterday.co.uk)

Finance Director – Martin Jarman (martin.jarman@vpeg.uk)

Quality Manager – Liz Clinton-Parker (elizabeth@peterday.co.uk)

3. RESPONSIBILITY

The supplier is responsible for the conformity of the materials/services that are supplied. PDP's acceptance of the material/services supplied does not affect the supplier's liability in the event of hidden defects after delivery.

4. DEFINITIONS

The term subcontracting parties include -

- Suppliers who provide catalogue products and distributors
- Suppliers and subcontractors of parts made according to a specification sheet (drawing or specification)
- Suppliers of services made according to PDP specification

This document is contractual and is referenced on the Purchase Order form.

5. RIGHTS OF ACCESS

The supplier is expected to allow reasonable rights of access for PDP, its customers and regulatory authorities to applicable records concerning the manufacture and traceability of its parts / components. This includes all levels of the supply chain involved in the purchase order.

6. QUALITY REQUIREMENTS

PDP is only able to accept material and services from approved suppliers. Suppliers/Subcontractors with third Party Certification of their QMS, from a UKAS approved Certification Body, will be preferred. All companies shall have a Quality Management System (QMS), or be able to show that actions have been put in place to achieve such requirements. PDP will carry out a regular 3-yearly assessment of all approved suppliers and subcontractors with optional physical audits as deemed appropriate.

Access will be granted by prior arrangement to the supplier's sites as required.

PDP will not accept products that after inspection/testing may be a copy or substitute, made without legal right or authority.

When counterfeit or suspected counterfeit materials/products are detected, these must be quarantined immediately and the relevant parties informed, without delay, to discuss disposal of the product. Raw material cannot return to the supply chain.

6.1 Control of Documents

The supplier shall operate an effective documentation control system to ensure the correct issue of controlled drawings and specifications are used.

6.2 Record Retention

Quality records associated with the manufacture of product are to be kept. Records shall be stored in a manner which enables them to be readily retrievable at the request of PDP and/or regulatory bodies. Such records will be kept for a period not less than 3 years, for commercial products, and for the operational life of that product i.e. indefinitely, in the case of aerospace products.

Records to be retained include (but not limited to) -

- Job Cards or manufacturing routers
- Inspection information
- KC data
- FAIR records
- ISIR records
- Traceability records
- Test reports
- Certificates of Conformity and analysis
- Manufacturing history

Retention period is from date of order completion.

6.3 Review of Requirements / Contract Review

The supplier/subcontractor shall ensure all purchase orders are subjected to review upon receipt, and all requirements can be met.

6.4 Traceability

The supplier/subcontractor is to ensure product identification is maintained throughout its life by way of identification and revision status of specifications, drawings or purchase order agreements.

All parts should be able to track the parent raw material including any sub-assemblies. Original manufacturer certification is to be provided when requested.

6.5 Product / Service Verification

The supplier/subcontractor shall ensure all inspection and verification activities have been completed prior to presenting parts to PDP.

Material suppliers shall have a process to check that the material certification and chemical analysis complies with the definitive standard.

The supplier/subcontractor shall provide samples/test specimens of and/or test reports for any product/material when requested, including any critical/key characteristic data.

6.6 First Article Inspection Report (FAIR)

Where purchase orders reference a FAIR, these must be completed in AS 9102 format. This will ensure the approval of procedures, processes and equipment used in the manufacture of the product. A FAIR is to be completed when any of the following conditions occur -

- A new part
- A change of issue status
- A change of manufacturing method
- A process change
- A change of manufacturing location

The supplier shall provide a copy of the FAIR accompanied by raw material data with the initial delivery.

6.7 Control of Non-Conforming Product

The supplier/subcontractor shall ensure that product which does not conform to product requirements is clearly identified on receipt at PDP to prevent its unintended use or delivery.

Under no circumstances is non-conforming product to be disposed at a supplier's site without formal permission.

When non-conforming product is detected at PDP, a Supplier Reject Note is raised. The root cause and corrective action is to be completed and returned within 28 days from receipt.

PDP will keep records of all instances of detected non-conformity product and the response times to reject notes. This method is the basis for controlling our approved supply base according to our procedures. Appropriate action to minimise risk to our customers will be taken on those suppliers who are deficient.

6.8 Training

The supplier shall ensure that personnel performing work affecting product quality are competent on the basis of appropriate education, training, skills and experience and records are maintained to demonstrate this competency. They must be aware of their contribution to product or service conformity, product safety, and the importance of ethical behaviour.

6.9 Packaging, Preservation and Delivery

All products are to be transported in suitable packaging to avoid contamination or damage during transportation. It is also to be ensured the type of packaging used does not have a negative effect on the product.

As part of PDPs internal procedures, PDP monitors on-time delivery of all approved suppliers. This measure ensures to reducing the risk of our customers receiving late product.

6.10 Certificate of Conformity (C of C)

The supplier shall provide a certificate of conformity with each shipment. The C of C should include as a minimum -

- Unique C of C number
- Part number and issue level
- Quantity
- Person authorising release
- Date

6.11 Notification of Change

The supplier must provide advanced notification of any changes to tooling, facilities, materials or processes of the delivered item. This includes, but not limited to manufacturing, assembly, testing, facility location or introduction of a new sub-tier supplier.

6.12 Document Flow-down

Should any PDP supplier use a subcontractor, the supplier is expected to flow down your customer requirements (specifications, drawings, etc.) including key characteristic requirements where required. Suppliers and subcontractors shall have a process for the approval, and on-going evaluation, of their own sub-tier suppliers and subcontractors.

Sub-tier supplier personnel must have proper training for the jobs they are performing. They must be aware of their contribution to product or service conformity, product safety, and the importance of ethical behaviour.

7. PERFORMANCE

It is a PDP requirement that all suppliers are assessed on quality and on-time delivery with the aim of receiving good quality product on-time. Performance data is analysed monthly where each supplier is graded. These grades run from 'A' (no rejects and on-time - 100%) to 'D' (persistent rejects and normally late).

Assessments are made on a case by case basis and will -

- Determine continued suitability of the supplier,
- Determine the standard on incoming inspection required,
- Determine whether the supplier will have any restrictions placed on future orders.

PDP are monitored against these quality and delivery performance statistics by our customers and the relevant certification bodies. It is our intention to work with our suppliers to achieve a common goal of 'right first time – on time' and to minimise these risks to our customers.

8. CODE OF BUSINESS CONDUCT AND ETHICS

When interacting with our organization, suppliers shall conduct business with the intent of communicating clearly, respectfully and professionally. We do not support violation of bribery or anti-corruption laws.

Gifts Policy: We do not offer or accept anything designed to obligate a person to act improperly with regard to our business and do not offer or accept gifts.

As a result, all PDP Suppliers, and PDP employees, are expected to conduct themselves with the highest standards of honesty, fairness, and personal integrity, with adherence to all applicable laws and avoidance of even the perception or appearance of impropriety or conflict of interest.

9. ENVIRONMENTAL HEALTH AND SAFETY REQUIREMENTS

It is the intention of PDP to take reasonable and practicable steps to help ensure workplace safety and protect the environment in all aspects of its operations.

Suppliers chosen to perform work on behalf of PDP are expected to fully comply with all applicable laws and regulatory requirements.

This approach helps ensure that PDP operations meet all local, county and national requirements, in relation to the engagement and management of contractors and the execution of projects. At the same time, this approach provides a set of best practices for suppliers to follow in all circumstances.

Terms and Conditions of Purchase

1. In these conditions -

"Buyer" means Peter Day Precision Engineering Ltd

"Goods" means the goods or materials which are the subject of the Order;

"Order" means the official purchase order placed by the Buyer and signed by an authorised employee of the Buyer; and

"Vendor" means the person, firm or company to whom the Order is placed.

2. The Buyer will only accept responsibility for orders issued on the Buyer's official Order. Any alterations to an Order may only be made if confirmed in writing by the Buyer. Upon the issue of an Order a contract will come into effect in accordance with these terms and conditions.
3. These conditions shall take precedence over any terms or conditions of the Vendor. If there is a conflict between these conditions and the Order, then the Order shall take precedence.
4. The Vendor shall comply with the Buyers delivery dates set out in the Order and information about progress against delivery schedule shall be provided by the Vendor without delay. Time for delivery shall be of the essence. The Vendor shall be liable for all loss and additional costs (including without limitation machining and labour costs) incurred by the Buyer as a result of late or non-delivery.
5. If Goods are delivered before the date specified in the Order, the Buyer shall be entitled at its discretion to refuse to take delivery or to charge for insurance and storage of the Goods until the contractual delivery date.
6. Delivery shall be completed when the Goods have been unloaded by the Vendor at the point of delivery specified in the Order and the delivery has been signed for by a duly authorised agent or employee of the Buyer. The Buyer shall not be treated as having accepted the Goods until it has had a reasonable time to inspect them following delivery or until any latent defect has become apparent.
7. The Vendor shall not assign or sub-contract the contract or any part without the prior written consent of the Buyer. If such consent is given the Vendor will remain fully bound by these conditions as if the contract had not been subcontracted. The Vendor shall ensure that any sub-contractor is competent and adheres to these conditions. The Vendor will enforce at its cost these conditions against the subcontractor by legal proceedings if the Buyer so requests.
8. The Buyer reserves the right to inspect and/or test the Goods or any materials at the Vendors or Sub-Contractors premises and the Vendor shall grant or procure access to relevant premises for this purpose. Any such inspection and/or test shall not relieve the Vendor from any responsibility, liability or warranty nor shall it imply acceptance or approval of the Goods.
9. The Vendor acknowledges that the Goods may be incorporated in safety critical machines or assemblies to be manufactured by the Buyer's customer. Accordingly, the Vendor acknowledges that the Buyer may suffer loss or incur liabilities if the Vendor is in default and shall fully indemnify the Buyer against any such loss or liability.
10. The Vendor warrants that all Goods shall be of first class quality and to the Buyer's specification and Order and shall ensure that the Goods are: in accordance with any BSI Standard or equivalent standard where applicable unless otherwise agreed in writing by the Buyer; conform to all relevant laws and standards, specifications and conditions and shall be of first class design and workmanship. The Vendor shall not supply Counterfeit Product, and should adhere to this at all times.
11. The Buyers representatives and/or its customers and/or regulatory authorities shall be allowed access to the Vendors premises or its subcontractors at any time to check the progress or quality of the work carried out.

12. If the Goods are not in accordance with the quality, design, specification or workmanship requirements or not being strictly in accordance with the contract the Buyer shall have the right, (without prejudice to any other rights of the Buyer), to reject the Goods and cancel the Order. The Vendor shall on demand pay any loss or damage incurred as a result of the breach of the Vendor to the Buyer and shall repay all monies paid against the Order.
13. The Vendor shall upon the Buyers request provide a certificate duly signed by or on behalf of the Vendor that the Goods are strictly in accordance with the contract.
14. If Goods are not strictly in accordance with the contract, the Buyer shall, (without prejudice to any other rights for the Buyer), have the right to carry out any re-work or modification which it shall deem necessary. Any expenses or loss attributed to or resulting from any such re-work or modification shall be borne by the Vendor.
15. All materials, patterns, tools or equipment supplied by the Buyer to the Vendor with or without charge for the purpose of executing the contract will remain the property of the Buyer or other third party as the case may be. The Vendor shall adequately insure and be fully responsible for and will indemnify the Buyer against any loss or damage to such property no matter how caused, until such time as it is returned to the Buyers premises.
16. The Vendor should clearly identify the Buyers property and shall be responsible for returning, carriage paid, to the Buyer all items of property within one month of the termination of the contract or at the Buyers request. If the Vendor fails to comply with this requirement, the Vendor shall become liable to the Buyer for the cost of the Buyers property.
17. For items issued to the Vendor by the Buyer, the Vendor undertakes to complete a regular stock check of items held on the Buyers behalf. The Vendor shall protect the items from loss or damage. The Vendor if appropriate will pay for any stock discrepancies less a reasonable scrap allowance.
18. The Vendor acknowledges that forecast requirements are non-binding and subject to change. The Buyer may request additional Order cover outside the normal lead times. The Vendor shall use best endeavours to meet these requirements without additional cost to the Buyer.
19. The Buyer shall be entitled to cancel or suspend deliveries of Goods by the Vendor under the contract and shall not be liable for such cancellation or suspension or any loss or damage resulting there from in the event of delay delivery or non-delivery by suppliers or contractors other than the Vendor of goods, which are to be used in connection with the Goods; strikes, labour stoppages or disputes of any kind and any other circumstances beyond the Buyers control.
20. The Buyer may terminate this contract if the Vendor is in breach of its obligations or upon the Vendor entering into an arrangement with its creditors or committing an act of bankruptcy, or if being a company, entering into liquidation whether compulsory or voluntary or having a Receiver appointed for all or any of its assets, or the change of ownership of the Vendor. The Buyer will have the right to cancel the contract at any time without incurring liability to the Vendor or sub-contractor and without prejudice to any other rights or rights of the Buyer.
21. Advice notes must accompany all deliveries and should state the Vendors Part Number, Order Number, full description of the Goods and quantity delivered.
22. Unless agreed by the Buyer in writing all prices are fixed inclusive of delivery, VAT and any other applicable duties and are not subject to escalation.
23. Payment by the Buyer, unless otherwise agreed in writing, will be made sixty days following the end of the month in which the Goods are delivered upon receipt of a valid and correct invoice.
24. The Buyer reserves the right to deduct from any monies due or to become due to the Vendor any monies due to the Buyer from the Vendor.

25. All drawings, specifications and data supplied by the Buyer in connection with the contract shall remain the property of the Buyer and be returned on request. The Vendor should only use such information for the purpose of the contract and shall not discuss with any other party unless expressly required or permitted to do so in writing by the Buyer.
26. If any of the Goods are to the Buyers own design/specification the Vendor will not at any time sell such Goods to another party without the written permission of the Buyer.
27. The Vendor shall fully indemnify the Buyer against any action, claim, demand costs, charges, and expenses whatsoever brought or made against the Buyer or sustained or incurred by the Buyer in respect of or as a result of -
 - any infringement of any intellectual property rights resulting from the use or sale of the Goods, other than in respect of the parts of such articles, goods or materials which have been manufactured to the Buyers own specifications supplied to the Vendor;
 - any injury, loss or damage to persons or property resulting from or arising out of the execution by the Vendor of the contract; and
 - The Vendor failing to meet its obligations under the contract.
28. The Vendor will take out insurance cover for the Goods against all risks until the Goods are accepted by the Buyer.
29. Where the contract involves the employment of labour, the Vendor will pay all National Insurance or similar contributions. The Vendor will also insure against all liability arising in connection with the employment of such labour and will indemnify the Buyer against any such liability.
30. Any amendments to the Order shall be made by agreement evidenced in writing. The Vendor shall advise the Buyer immediately if such amendments either prevent the specified delivery date(s) being met or have any other significant implication regarding the Vendor's obligations to the Buyer.
31. A person who is not a party to the contract shall have no rights pursuant to the Contracts (Rights of Third Parties) Act 1999 (the "Act") to enforce any term of this Agreement. Any right or remedy of a third party which exists apart from the Act is not affected.
32. The parties agree that these conditions and any contract shall be construed under the law of England and the parties agree to submit to the exclusive jurisdiction of the English Courts in relation to any matter or dispute.

Iss	Sections Changed	Reason and Details of Change	Changed By	Date
1	All	New Document	N Tucker	11 Nov 13
2	Contacts	New name entered	D Causley	7 Nov 14
3	Terms and Conditions of purchase	Added information regarding Counterfeit Products. Clause of AS9100 rev D	S Gillingham	28 Nov 17
4	Contacts, Training, Document Flow-down, Code of Conduct and Ethics, EHS	Added information	L Clinton-Parker	21 Feb 19
5	Contacts	Changes in roles and responsibilities	L Clinton-Parker	3 March 20
6	Quality Requirements	Additional information as per AS9100 rev D clause 8.4.3	L Clinton-Parker	30 Nov 20
7	Contacts	New names entered	L Clinton-Parker	10/12/2021
8	Contacts	New names entered	L Clinton-Parker	12/09/2023