

QUALITY CONTROL DOCUMENT	REVISION	TITLE
<b>QCD 146</b>	<b>6</b>	<b>Terms &amp; Conditions of Purchase</b>

## Harlow Group Ltd. Terms & Conditions of Purchase

### General Requirements

1. The quantity on the purchase order must not be exceeded without a written variation by Harlow Group Ltd.
2. No liability will be accepted for goods supplied without an official order, or for goods delivered in excess of quantities detailed.
3. When a price is included on the order, any variation in excess of the stated price must be confirmed in writing by Harlow Group Ltd. before delivery.
4. All invoices must clearly state our order number and the address to which goods were delivered.
5. We reserve the right to request the supplier to suspend delivery or the execution of any work covered by the order should it become necessary.
6. Unless otherwise stated on the Purchase order:
  - a) The property of the goods remains with the seller until they are delivered at the buyer's works. The buyer reserves the right to reject the goods if they do not correspond to quality requirements, fitness or description with the order.
  - b) Unless otherwise agreed, payment will be made by the buyer in the month following delivery.
  - c) Unless otherwise agreed packages are free and non-returnable.
7. Acceptance of this order implies agreement with our terms and conditions and no variation will be recognised unless expressly agreed by Harlow Group Ltd. in writing.
8. It is the responsibility of the supplier to ensure all pertinent copies of drawings and specifications are to the correct issue status prior to acceptance of the order.
9. Where the Harlow Group Ltd. purchase order does not define the part number, part number issue, relevant specifications and issues, description, and where relevant process requirements and inspection/test requirements, it is the responsibility of the supplier to ensure that information is obtained from Harlow Group Ltd. via an amended purchase order prior to acceptance of the order.
10. Harlow Group Ltd., their customer, and any regulatory authorities reserve the right of access into all of the supplier's facilities involved in the manufacture of parts defined on Harlow Group Ltd. orders, and to all applicable records held by the supplier.
11. Supplier must ensure that all products and packaging delivered to Harlow Group Ltd. are in compliance with the latest revision of REACH and RoHS regulations.
12. Supplier must pro-actively inform Harlow Group Ltd. when REACH and RoHS regulated substances are used on Harlow Group Ltd. product.

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13. Supplier must preserve and protect the environment by minimising pollution and waste through effective recycling.

14. Contribution to Product Safety

- a) Suppliers must ensure their employees are aware of how they can affect product safety should they manufacture non-conforming product, plus the potential effect this could have on people within their own organisation as well as at Harlow Group Ltd and also further downstream including the end users of the product that is manufactured.
- b) It is the duty of the supplier to notify Harlow Group Ltd regarding any issue that could adversely affect product safety either at the Harlow Group Ltd or further downstream including the end users of the product that is manufactured.

15. Contribution to Product and Service Conformity

- a) It is the supplier's responsibility to ensure that their employees understand and are aware of their contribution to product or service conformity, plus how they can affect the outcome of the process or processes they are responsible for and how non-conforming product escaping from the supplier's facility could impact customers and end user in the downstream supply chain.
- c) Supplier's employees who perform process control and inspection functions shall be identified and given sufficient, well-defined responsibility, authority and the organizational freedom to identify, evaluate and initiate solutions to any issues that affect product or service conformity.

16. Ethical Behaviour

- a) Suppliers must be committed to the highest standards of ethics and business conduct. and must honour commitments, act in good faith, and be accountable. Suppliers must maintain full compliance with all laws and regulations applicable to the operation of the business and customer relationships. Suppliers must not offer, promise, authorize, or provide, directly or indirectly, anything of value (including business gifts or courtesies) with the intent or effect of inducing anyone to engage in unfair business practices. Suppliers will avoid involvement in activities that may be perceived as a conflict-of-interest.
- b) Furthermore, Harlow Group Ltd expects the supplier to comply with the following principles:
  - i. **Child Labour:** Harlow Group Ltd will not engage in nor support the use of child labour. The supplier is expected not to use child labour.
  - ii. **Forced or Compulsory Labour:** Harlow Group Ltd will not engage in nor support the use of forced or compulsory labour. The supplier is expected not to exact any work or service from any person under the menace of any penalty. For example, the supplier's employees must be free to leave work or terminate their employment with reasonable notice, and they are not required to surrender any government issued identification, passports or work permits as a condition of employment.

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iii. **Respect and Dignity:** The supplier is expected to treat all employees fairly, ethically, respectfully and with dignity. The supplier must protect its employees from harassment, bullying and victimization in the workplace, including all forms of sexual, physical and psychological abuse.

iv. **Discrimination:** Harlow Group Ltd supports diversity and employment equity. The supplier is expected to offer equal employment opportunities and compensation without any discrimination, unless such discrimination is based on the inherent requirements of the job or in the course of a program to promote diversity.

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### **Aerospace Requirements**

For Suppliers of Aerospace related goods into Harlow Group Ltd., the above applies together with the additional requirements as detailed below. Definition of Aerospace goods is by reference on the purchase order to ‘Certificate of Conformity required’.

1. Supplier must ensure that the requirements of “QCD 141 – Supplier Controls of Records” are met and a signed copy of the document is returned to Harlow Group Ltd. Records for Harlow Group Ltd. product shall be retained and maintained by the supplier for a period of no less than 7 years. Disposition of retained records after the retention period has expired will be at the express written confirmation of the Quality Manager of Harlow Group Ltd.
2. Where necessary, requirements for approval of product, processes, equipment and personnel used for Harlow Group Ltd. manufacture of product will be stated on the purchase order. If not stated on the purchase order, the approval of these will be in accordance with the supplier’s own procedures.
3. Requirements for design, test, examination, inspection and related instructions for acceptance of product, if not defined on the Harlow Group Ltd. purchase order shall be in accordance with the supplier’s own procedures.
4. Test specimens (eg, production methods, numbers, storage conditions) for design approval, inspection, investigation or auditing, if not defined on the Harlow Group Ltd. purchase order shall be in accordance with the supplier’s own procedures.
5. If required on the purchase order, a First Article Inspection Report (FAIR) shall be provided in accordance with BS EN 9102 (latest revision).
6. Non-conforming product identified by the supplier shall be controlled in accordance with the supplier’s own procedures. Where non-conforming product cannot be reworked to the order requirements by the supplier, the supplier shall either scrap and remake the parts – informing Harlow Group Ltd. immediately – stating order number, part number & issue, quantity of parts non-conforming, description of non-conformance and proposed corrective actions. Scrapped items shall be clearly identified, and physically

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rendered unusable. The supplier shall not deliver non-conforming product into Harlow Group Ltd. until and unless concession approval is obtained from Harlow Group Ltd.

7. Where the supplier has identified non-conforming product after delivery into Harlow Group Ltd., the supplier shall notify Harlow Group Ltd. Quality Assurance immediately in writing stating order number, part numbers & issue, quantity of parts and description of non-conformity.
8. The supplier shall notify Harlow Group Ltd. when changes to the product, and/or changes to process definition are intended, and obtain Harlow Group Ltd. written approval for these changes.
9. The Supplier shall notify Harlow Group Ltd. in advance of any planned changes in location of their manufacturing, processing or storage facilities, and provide FAIRs for items produced or processed at the new location.
10. Harlow Group Ltd reserve the right to sample check Certificates of Conformity for validity, tracking back release and test certification to a UKAS accredited certification body, and materials to source.
11. The supplier must obtain Harlow Group Ltd. written approval for the supplier to use sub-tier organisations in relation to Harlow Group Ltd. orders.
12. The supplier shall ensure that all the applicable requirements in the purchasing documents, including key characteristics, are flowed down to any sub-tier supplier.
13. Counterfeit Goods Prevention
  - (a) The supplier represents and warrants that Counterfeit Goods are not contained in Goods delivered to Harlow Group Ltd. through the implementation of policies that include prevention, detection and risk mitigation methods to protect against the use of Counterfeit Goods.
  - (b) The supplier shall purchase material/parts directly from the Original Component Manufacturer (OCM) / Original Material Manufacturer (OMM), or from the OCM/OMM authorized or franchised distributor. Procurement through an independent distributor, non-franchised distributor or broker is NOT authorized. A Certificate of Conformity shall accompany each shipment of goods delivered, along with OCM/OMM documentation that authenticates traceability of the parts/material to that applicable OCM. If an original OCM/OMM certificate is NOT available, the distributor shall provide a Test/Inspection Report for the supplied parts/material verifying their authenticity and such other suitable documentation as Harlow Group Ltd shall reasonably request; however, the submission of such additional items shall not relieve Supplier of its obligations hereunder.
  - (c) In the event the supplier becomes aware or suspects that it has furnished Counterfeit Goods, it shall immediately notify Harlow Group Ltd. When requested by Harlow Group Ltd, the supplier shall provide (if available) Authorized Supplier documentation that authenticates traceability of the parts to the applicable Authorized Supplier.
  - (d) In the event that goods delivered under this purchase order are, or include, Counterfeit Goods, the supplier shall promptly investigate, analyse and report in writing to Harlow Group Ltd Counterfeit

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Goods shall be replaced with genuine goods conforming to the requirements of this purchase order, or whether an alternative solution is recommended to meet the purchase order requirements at the supplier's sole expense. The Parties shall then agree upon the appropriate course of action.

- (e) In the event that suspected counterfeit Goods are delivered to Harlow Group Ltd, these shall be quarantined securely at Harlow Group Ltd until such time that the supplier can evidence the authenticity of the parts as being genuine.
- (f) In the event that goods delivered to Harlow Group Ltd are confirmed as counterfeit, these shall be quarantined securely at Harlow Group Ltd until such time that the supplier and Harlow Group Ltd can agree safe disposition that securely prevents release of goods back into the aerospace supply chain.