

Purchase Contract

PO#: 19DMAC-ZJS541HW

Buyers: AVIC International Holding Corporation

Address: C-Zone, 9 Floor, CATIC PLAZA

No. 18 Beichen Dong St., Chaoyang District, Beijing, 100101 P.R.China

Tel: (8610)84808090

Fax: (8610)84808103

Buyer: Chen Peng

Email: chenpeng@avic-intl.cn

Sellers: QIWEI AVIATION (HK) INTERNATIONAL HOLDING CO., LIMITED

Address: Unit 04,7/F Bright Way Tower, No.33 MongKok RD KL,Hong Kong

Tel: +86-13709215274

Contact: Xiao Qifeng

Email: qifeng.xiao@me.com

Ship to: Xi'an Aeroengines Controls International Company Ltd

750#Daqing Road, Xi'an, 710077 P.R. China

Tel: 29 84675287

Fax: 29 84614312

Attn: Zhu Wenjing

This contract is made by and between the Buyers and the Sellers, whereby the Buyers agree to buy and the Sellers agree to sell the under-mentioned commodity(ies) according to the terms and conditions stipulated below.

1. COMMODITY (IES), SPECIFICATIONS, QUANTITY, UNIT PRICE and TIME OF SHIPMENT:

S/N	Material	Spec	Dia (MM)	Length (M)	Weight (KG)	U/P (USD)	Total Amount (USD)	VMI Built-up Date	Delivery Term
1	6061	AMS4117/T651	D108	219.48	5440.00	\$10.12	\$55,052.80	2019.12.30	EXW Shanghai Warehouse
2	6061	AMS6117/T651	D146.05	14.63	680.00	\$10.12	\$6,881.60	2019.12.30	EXW Shanghai Warehouse
3	15-5PH	AMS5659	D12.7	1053.00	1034.00	\$15.39	\$15,913.26	2019.10.30	EXW Shanghai Warehouse
4	15-5PH	AMS5659	D15.88	371.51	581.19	\$13.41	\$7,793.76	2019.9.30	EXW Shanghai Warehouse
5	15-5PH	AMS5659	D34.93	151.68	1139.60	\$11.49	\$13,094.00	2019.9.30	EXW Shanghai Warehouse
6	15-5PH	AMS5659	D38.1	210.00	1890.00	\$11.49	\$21,716.10	2019.10.30	EXW Shanghai Warehouse
7	15-5PH	AMS5659	D50.8	110.98	1754.45	\$11.49	\$20,158.63	2019.11.30	EXW Shanghai Warehouse
8	15-5PH	AMS5659	D60.325	40.43	901.40	\$10.69	\$9,635.91	2020.5.30	EXW Shanghai Warehouse

9	347	AMS-QQ-S-763	D12.7	216.00	220.00	\$12.42	\$2,732.40	2020.5.30	EXW Shanghai Warehouse
10	347	AMS-QQ-S-763	D34.93	106.10	816.00	\$11.50	\$9,384.00	2020.5.30	EXW Shanghai Warehouse
11	718	AMS5662	D12.7	146.32	152.00	\$49.00	\$7,448.00	2020.3.30	EXW Shanghai Warehouse
12	Ti-6-4(6AL-4V)	AMS4928	D15.88	179.24	160.00	\$82.80	\$13,248.00	2020.5.30	EXW Shanghai Warehouse
13	17-4PH	AMS5643	D15.88	153.64	236.00	\$11.38	\$2,685.68	2019.9.30	EXW Shanghai Warehouse
Total:							\$185744.14		

*** Multi-shipments not allowed unless buyer's instruction**

**** Boxing not extended 4 meter in length.**

***** RM must be the Latest Revision as per SPEC**

****** RM must be made in USA**

******* ±10% of PO QTY for each item is allowed**

******* Number of Bar and length of each bar need to be specified on the invoices or packing list**

******* SPOC003 should be followed**

******* Seller need to built-up the stock for each item before VMI built-up date and maintain the stock level not lower than 25% of total weight all the time. Seller allows multiple pick up by buyer for this order and Buyer agree to pick up the material per above weight for each item within 12 months after the date of built-up date.**

******* Both seller and buyer agree to automatically extend the VMI service for all the items with the same price, weight and terms & clauses as specified in this order unless there is written notification before Aug 30th, 2020 from seller or buyer to terminate the VMI service for partial items or whole items. The additional quantities for the extension of VMI service will be covered by issuing a new order.**

TOTAL AMOUNT : One Hundred eighty five thousand seven hundred forty four US dollar fourteen cents only

3 COUNTRY OF ORIGIN AND MANUFACTURERS of RAW MATERIAL: USA

4. PACKING:

To be packed in strong wooden/carton boxes suitable for long distance air transportation, well protected against dampness, moisture, shock, rust and rough handling. The Sellers shall be liable for any rust damages, loses of the commodity(ies) and all costs incurred thereby due to inadequate or improper packing made by the Sellers.

a. For those shipments using wood packing materials, the seller shall ensure that all the wood packing materials be properly treated and marked in compliance with the International Measure of Phytosanitary Standard # 15 (ISPM 15). Simultaneously, the seller shall submit the proper documents as a proof of mentioned action.

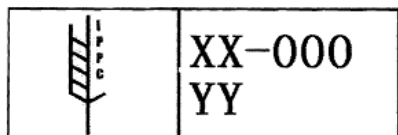
b. For those shipments not using wood packing materials, the exporter shall issue the Declaration of non-wood packing material.

Hereto wood packing refers to the wood materials which is used for bearing, packing, matting,

supporting, reinforcing, such as lath, batten, tray, frame, barrel, shaft, chock, stow-wood, sleeper, scaleboard, etc. The artificial materials such as Veneer and fiberboard are exclusive.

5. SHIPPING MARK:

It should be stenciled fadelessly and legibly, on the surface of each package, port of destination, contact number, package number, gross weight, net weight, measurement, lifting position and the wordings "KEEP DRY", "HANDLE WITH CARE", "THIS SIDE UP" and the following shipping mark: N/A
As well with following ISPM 15 mark



Where "XX" refers to the Country Code - two letter ISO country abbreviation
"000" refers to the Facility Identification – product manufacturer name, brand or assigned facility number

"YY" refers to the phytosanitary treatment for wood packing materials.

6. PORT OF LOADING: Port, USA

7. PORT OF DESTINATION: Xi'an, Shanxi Province, P.R. China

8. INSURANCE:

To be effected by Buyer

9. TERMS OF PAYMENT:

By Direct Remittance(T/T): 60 days after the date of invoices

The costs arising out of taxation and banking in the Sellers' country shall be borne by the Sellers while the same costs in the Buyers' country shall be borne by the Buyers.

Bank Details:

1. 收款人名称: QIWEI AVIATION(HK) INTERNATIONAL HOLDING CO., LIMITED
2. 收款人账号: 012-822-2-008649-0 SWIFT Code: BKCHHKHHXXX
3. 款人银行名称: BANK OF CHINA (HONG KONG) LIMITED, HONG KONG
- 4.收款人银行地址: BANK OF CHINA TOWER, 1 GARDEN ROAD, CENTRAL, HONG KONG
- 5.收款人地址: Unit 04, 7/F Bright Way Tower, No. 33 MongKok RD KL, Hong Kong

10. SHIPPING DOCUMENTS:

The Sellers shall present the following documents to the Buyers:

- (1) AIRWAY BILL: One full set of airway bill indicating the contract number, invoice number covering one original and two copies, mark "Freight to Collect".
- (2) INVOICES: In three copies covering one original, indicating contract number, number of airway bill, date of shipment and shipping mark.
- (3) PACKING LIST: In three copies covering one original, indicating name of commodity(ies), contract number, packing number, weight relevant invoices number and signing date.

(4) CERTIFICATE OF QUALITY AND QUANTITY: In three copies issued by the manufacturers.

(5) SHIPPING ADVICE: One copy of shipping advice by fax after shipment is effected.

(6) TEST REPORT: The sellers should provide all test and/or inspection reports per production batch or lot specified in Clause 14 in two copies. One copy of the certificates of conformance and all the test or inspection reports required above must be placed inside the individual packing box with one copy of the packing list.

11. TERMS OF SHIPMENT: See Delivery Term

1) <=20KG(below and equal 21kg), by Fedex collect account# 317234392

2)100KG>goods> 21KG(below 100KG and over 21kg): AAF Freight (LA) Corp.

AAF FREIGHT LLC

720 HINDRY AVE

INGEWOOD,CA90301

TEL: 310 338 0998 FAX: 1877 326 2058

CONTACT: JIM CHU

DIRECT:310 910 2303

3)> 100KG(over 100kg):

DHL Global Forwarding

4000 Redondo Bcach Ave.

Suite 103,

Redondo Beach, CA 90278

United States

Denise Lai

Chinese Help Desk

Operation-OFR, West Region

Direct Phone: 1 310 297 4275

Mobile Phone:1 424 634 1336

Fax:1 310 643 7595

denise.lai@dhl.com

12. ADVICE OF DELIVERY:

After completion of loading the commodity(ies) on board of the aircraft, the Sellers shall immediately advise the Buyers by fax the contract number, number of airway bill, description of the commodity(ies), quantity, gross weight, invoice value, name of the carrying aircraft and the date of boarding. If the Sellers fail to notify the Buyers by fax in time, then the Sellers shall cover all losses incurred due to the failure to arrange custom clearance or to take the goods by the Buyers.

13. TEST AND INSPECTION REPORT:

The manufacturers shall, before effecting the shipment, make precise and comprehensive inspection of the commodities and issue a certificate including (1) physical and chemical test report (2) mechanical properties test report (3) Heat treatment and other applicable test report, certifying that the commodities are in conformity with the provision of this contract.

14. QUALITY AND WARRANTY:

Quality specifications and performance of the products shall be in compliance with the provisions of Honeywell. The sellers shall guarantee that the commodities shall be given 12 (twelve) months of warranty from the date of arrival of commodities at the port of destination.

The sellers are prohibited from providing counterfeit parts and bear all consequences due to counterfeit parts. The sellers should notify the changes to processes, products, or services, including changes of external providers or location of manufacture, and obtain the organization's approval.

The seller should keep the related quality documents no less than 11 years after the delivery to buyer, The buyer reserve the right to access the record documents.

15. CLAIMS:

If discrepancies are found according to the contract regarding quantity, specification and/or weight, quantity except that the responsibilities lie with insurance company, the buyers shall within 180 days after the arrival of the commodities have the right to claim against the sellers:

(1) Rejection of the commodity(ies) by the Buyers. The Sellers shall refund the Buyers the amount of commodity(ies) rejected in the same currency as contracted herein, and bear all direct losses and costs in connection therewith, including interest accrued, banking charges, freight, insurance premium, storage and all other necessary costs required for the custody and protection of the rejected commodity(ies).

(2) Replacement of new parts. The Sellers shall replace the defective parts with new parts in conformity with the specifications, quality and performance as stipulated in this contract and bear all costs and direct losses suffered by the Buyers. The Sellers shall, at the same time guarantee the quality of the replaced parts for a further period according to Clause 15 of this contract.

The claims mentioned above shall be regarded as being accepted if the Sellers fail to reply within 30 days after the Sellers receive the Buyers' claim.

16. ARBITRATION

All disputes in connection with execution of this contract shall be settled through friendly negotiations. In case no settlement can be reached, the disputes shall be submitted for arbitration.

The arbitration should be taken place in Beijing: The Arbitration Committee of the China International Economic and Trade Arbitration Commission (CIETAC) shall conduct the arbitration in accordance with the Provisional Rules of Procedures promulgated by the said arbitration committee.

17. EXPORT LICENSE

The Seller shall, before signing the Contract, confirm to the Buyer if the export licenses or export permits for the contracted goods will be needed. If the export licenses and permits were needed, The Seller shall guarantee the licenses or permits will be issued by Seller's Government and provide a specimen which to be filled by the Buyer for applying the export permits or licenses.

If the Seller can't get the export permits or licenses within (90) days from the date of End-use And End-user Statement issued by the Ministry of Commerce of China, the Buyer shall have the right to cancel the Contract.

After the export permits or licenses were issued, the Seller shall send a duplicate and explain the content and scope of the said export permits or licenses to the Buyer within five (5) days.

If the said export permits or licenses were denied or withdrawn by the Seller's Government for any reason whatever, or if the export permits or licenses contained any special restrictions resulting in the Buyer cannot purchase form the Seller legally, the Buyer have the rights to terminate the Contract in whole or in part. In such event, the Buyer shall lodge a claim against the Seller.

If the said export permits or licenses were denied or withdrawn by the Seller's Government for any reason whatever, or if the export permits or licenses contained any special restrictions resulting in the Buyer cannot purchase form the Seller legally, the Buyer have the rights to terminate the Contract in whole or in part. In such event, the Buyer shall lodge a claim against the Seller.

If the Buyer or the End User involved to the investigation of export licenses, the Seller is still under the obligation to cooperate and offer help.

18. INTELLECTUAL PROPERTY RIGHTS

The Seller undertakes that the Goods do not infringe, or constitute an infringement or misappropriation of, any third party's intellectual property rights. If any third party claims any right

or interest in any Goods or brings any action against Buyer on alleged infringement or misappropriation of third party intellectual property rights by the Goods, the Seller shall fully indemnify, defend and hold Buyer harmless against any and all such claims, actions, costs, expenses and damages which the Buyer may incur or become liable for such infringement.

19.LATE DELIVERY AND PENALTY

Should the Sellers fail to effect delivery within the time of shipment as stipulated in this Contract. The Sellers shall pay penalty due to late delivery. The Buyers shall agree to postpone the delivery on condition that the Sellers agree to pay penalty which will be deducted by the paying bank from the payment under negotiation. The penalty shall be calculated at a rate of 0.75% for every 7 days, less than 7 days shall be counted as 7 days. However, the total amount of penalty shall not exceed 5% of the total value of the commodity (ies) involved in late delivery. In case the Sellers fail to make delivery ten weeks later than the time of shipment stipulated in this Contract, the Buyers shall have the right to cancel the Contract and the Sellers, in spite of the cancellation, shall still pay the penalty as aforesaid to the Buyers without delay.

20. MISCELLANEOUS:

This contract is made in two original copies of which one is left to the Buyers and one is left to the Sellers.

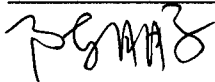
The provision contained herein constitute the entire agreement and supersede all previous communications, representations either verbal or written between the parties hereto with respect to the subject matter thereof.

All terms and conditions are subject to Incoterms 2010

The contract comes into effect on the signing or sealing date.

For and on behalf of
QIPPE (HONGKONG) INTERNATIONAL HOLDING CO., LIMITED
啟威鞋材(香港)國際控股有限公司
朱名峰
Authorized Signatures

Buyers: Chen Peng



Sellers:



On behalf of

Buyer

On behalf of

Seller

器材采购计划表

序号	计划项	零件号	器材名称	牌号	技术条件	版次	状态	规格 (MM)	数量 (M或 PCS)	重量 (KG)	计价单位	单价	总价	供应商	交期	贸易方式	备注	
1	/	/	棒料	6061	AMS4117	K	T651	D108	219.48	5440.00	KG	\$10.12	\$55,052.80	QIWEI	2019.12.30	新E10-73	② 台湾材料	
2	/	/	棒料	6061	AMS6117	K	T651	D146.05	14.63	680.00	KG	\$10.12	\$6,881.60	QIWEI	2019.12.30	新E10-73		
3	/	/	棒料	15-5PH	AMS5659	S	固溶退火	D12.7	1053.00	1034.00	KG	\$15.39	\$15,913.26	QIWEI	2019.10.30	新E10-27		
4	/	/	棒料	15-5PH	AMS5659	S	固溶退火	D15.88	371.51	581.19	KG	\$13.41	\$7,793.76	QIWEI	2019.9.30	新E10-27		
5	/	/	棒料	15-5PH	AMS5659	S	固溶退火	D34.93	151.68	1139.60	KG	\$11.49	\$13,094.00	QIWEI	2019.9.30	新E10-27		
6	/	/	棒料	15-5PH	AMS5659	S	固溶退火	D38.1	210.00	1890.00	KG	\$11.49	\$21,716.10	QIWEI	2019.10.30	新E10-27	代替D36.51	
7	/	/	棒料	15-5PH	AMS5659	S	固溶	D50.8	110.98	1754.45	KG	\$11.49	\$20,158.63	QIWEI	2019.11.30	新E10-27		
8	/	/	棒料	15-5PH	AMS5659	S	固溶退火	D60.325	40.43	901.40	KG	\$10.69	\$9,635.91	QIWEI	2020.5.30	新E10-27	代替D60	
9	/	/	棒料	347	AMS-QQ-S-763	D	退火	D12.7	216.00	220.00	KG	\$12.42	\$2,732.40	QIWEI	2020.5.30	新E10-48		
10	/	/	棒料	347	AMS-QQ-S-763	D	固溶退火	D34.93	106.10	816.00	KG	\$11.50	\$9,384.00	QIWEI	2020.5.30	新E10-48		
11	/	/	棒料	718	AMS5662	N	固溶	D12.7	146.32	152.00	KG	\$49.00	\$7,448.00	QIWEI	2020.3.30	新E10-85		
12	/	/	棒料	Ti-6-4(6AL-4V)	AMS4928	W	NA	D15.88	179.24	160.00	KG	\$82.80	\$13,248.00	QIWEI	2020.5.30	新E10-105		
13	/	/	棒料	17-4PH	AMS5643	V	固溶	D15.88	153.64	236.00	KG	\$11.38	\$2,685.68	QIWEI	2019.9.30	新E10-29		
合计金额:												\$185,744.14						

注: 空格填写“NA”; 以上“交期”栏时间为发货时间, 实际到厂日期应再加15天的报关及运输时间。“数量”一栏单位的选择原则为: “器材名称”内容为原材料时数量单位使用“M”, “器材名称”内容为外购件时数量单位使用“PCS”

1. HON项目: 原材料、化学品、通用标准件的采购合同要求纳入SPCC003要求; 铸件、专用外购件的采购合同要求纳入SPCC002要求; 除非有特殊要求, 全部材料必须为美国制造商

2. SAFRAN项目: 原材料必须符合SAFRAN合格供应商名录; This purchase order is for a Safran Landing Systems contract and the requirement of Safran Landing Systems GRP-0087 and SREQ-SLS-001 apply

3. EATON项目: 原材料必须符合EATON合格供应商名录

4. UTAS项目 原材料供应商需在客户QDL清单上, 各级供应商及原产厂家均需符合AS9100或AS9120的要求。供应商提供的产品需满足AS6174的相关要求

5. 所有项目 原材料合格证上明确根数及米数; 外购件要求50件一包进行分包

编制:  2019.7.5 校对:  2019.7.18 审核:  2019.7.23 批准:  2019.7.24

原材料采购比价 (19DMAC-ZJS541HW)

满足订单周期:

序号	件号	牌号	规范	规格 (MM)	单位	基准价		TW报价		Bibus报价		QW采购价		备注
						Unit price	Unit price	Unit price	Unit price	Unit price	Unit price			
1	/	6061	AMS4117	D108	KG	\$12.00	无	\$11.90	\$10.12					
2	/	6061	AMS4117	D146.05	KG	\$14.85	\$13.70	\$12.30	\$10.12					
3	/	15-5PH	AMS5659	D12.7	KG	\$15.60	\$16.20	\$16.90	\$15.39					
4	/	15-5PH	AMS5659	D15.88	KG	\$15.50	\$14.90	\$16.90	\$13.41					
5	/	15-5PH	AMS5659	D34.93	KG	\$12.50	\$12.60	\$12.30	\$11.49					
6	/	15-5PH	AMS5659	D38.1	KG	\$14.52	\$12.60	\$12.10	\$11.49					代替D36.51
7	/	15-5PH	AMS5659	D50.8	KG	\$12.30	\$12.60	\$11.60	\$11.49					
8	/	15-5PH	AMS5659	D60.325	KG	\$12.30	\$12.10	\$11.60	\$10.69					代替D60
9	/	347	AMS-QQ-S-763	D12.7	KG	\$19.90	\$14.50	\$13.90	\$12.42					
10	/	347	S-763	D34.93	KG	\$17.60	\$8.00	\$12.60	\$11.50					TW供台湾料
11	/	INCO 718	AMS5662	D12.7	KG	\$42.50	\$49.00	\$43.00	\$49.00					Bibus/代料D12.5, TW有MOQ: 654M/654KG
12	/	Ti-6-4(6AL-4V)	AMS4928	D15.88	KG	\$88.32	无	\$80.00	\$82.80					Bibus/代料D15
13	/	17-4PH	AMS5643	D15.88	KG	\$13.20	\$8.00	\$10.90	\$11.38					TW供台湾料, Bibus代料17.46

价格可控

孙文松

2019.7.18