



Supplier Terms & Conditions

Buyer hereby buys and Seller hereby sells those goods and services subject to the terms and conditions set forth below.

Section A - Instructions to Seller

1. Purchase Order Number: Seller shall include Buyer's purchase order number on all invoices, packing list, bills of lading, packages, containers and correspondence processed under this purchase order.
2. Packaging and Insurance: No extra charge for packaging or insurance shall be allowed unless specifically noted herein. Supplier shall package product for shipment in keeping with good commercial practice, unless otherwise instructed by Purchase Order requirements. Packaging shall be adequate to preclude damage, loss, or corrosion of product shipped. Supplier shall identify the outer container or pallet with the applicable Purchase Order number, Part Number and Lot number. Shipper/Packing Slip are to be included with the order.
3. If a prompt payment discount is negotiated, its terms will be specifically identified in the Purchase Order.

Section B - Standard Clauses

1. Seller Acceptance: This purchase order is to be accepted by the Seller. The terms and conditions of the contract shall constitute the complete and exclusive statement between the parties.
2. Delivery: Time is of the essence in the performance of this purchase order by Seller. Delivery is to be made both in quantities and at times specified herein. Goods delivered in advance of schedule may have payment withheld by Buyer until the date that goods are actually scheduled for delivery, without prior written consent of Buyer.
3. Warranties: Seller expressly warrants that all items delivered hereunder shall be free from defects and of good materials and workmanship and shall conform to applicable specifications, drawings, and performance specifications set forth in this purchase order.
4. Proprietary Drawings and Data: Seller shall keep confidential all information, drawings, specifications or data furnished by the Buyer. Seller shall not divulge or use such information, drawings specifications or data for the benefit of any other party. Seller shall thereafter make no further use, either directly or indirectly, of any such data or information without Buyer's written consent.
5. Disclosure of Information: Seller shall not in any manner advertise or publish the fact that it has furnished or contracted to furnish Buyer the goods or services herein described without prior written consent of Buyer.
6. Buyer's Property: Title to all property furnished to Seller by Buyer or paid for by Buyer shall remain with Buyer. Seller shall not alter or use such property for any purpose or for any other party other than specified by Buyer without the prior written consent of the Buyer. Seller shall keep adequate records, which shall be made available to Buyer upon request, and shall store, protect preserve, repair and maintain such property in accordance with sound industrial practice, at seller's expense.
7. Compliance with Laws: Seller shall, in the performance of work or services under this purchase order, fully comply with all applicable federal, state, or local laws, rules, regulations, or ordinances.
8. Governing Law: This purchase order, and the acceptance thereof, shall be a contract made in the state of California and shall be governed by and construed according to the laws thereof if to be wholly performed within the state of California.
9. Termination for Convenience: Buyer may at any time terminate this purchase order in whole or in part for its convenience upon written notice to Seller, in which event Seller shall be entitled to reasonable termination changes consisting of a percentage of the purchase order price reflecting the percentage of the work performed prior to termination, plus any reasonably incurred settlement expenses.



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10. Intellectual Property Rights: Seller warrants that the sale, use, or incorporation into manufactured of all machines, devices, material, software, and firmware which are not of Buyer's design, composition or manufacture shall be free and clear of infringement of any valid United States patent, copyright, trade mark, mask works, or other proprietary rights. Seller shall hold Buyer, and its customers harmless from any and all expenses, liability, and loss of any kind, including but not limited to attorney's fees, all cost, expenses and fees growing out of claims, suits, or actions Seller agrees to defend.
11. Clause Modification Required by Seller's Customer: Seller agrees to incorporate into this purchase order any revised clause or additional clause as Buyer may reasonable deem necessary to enable Buyer to comply with the provisions of the higher-tier contract and any modifications thereto. If such a revised clause or additional clauses causes any increase or decrease in the cost or time required for performance of the purchase order work, an equitable adjustment shall be made in accordance with the procedures of the Changes clause.
12. Changes: Buyer may at any time, by written order, make changes within the general scope of this purchase order for compliance by Seller, in any one or more of the following (i) drawings, designs, or specifications, where the supplies or services to be furnished are to be specifically manufactured or produced for Buyer in accordance therewith; (ii) method of shipment or packing; (iii) place of delivery; and (iv) delivery schedule and period of performance.

If any such change causes an increase or decrease in the cost of or the time required for the performance of any part of the work under this purchase order, an equitable adjustment shall be made in the purchase order price or delivery schedule and period of performance, or both, and the purchase order shall be modified in writing accordingly. Any claim by Seller for equitable adjustment under this clause shall be asserted within 20 days from the date of receipt by Seller of the notification of change.
13. Stop Work Order: The Buyer may, at any time, by written order to the Seller, require the Seller to stop all, or any part of the work called for by this purchase order. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the stop-work order, the Seller shall immediately comply with the terms and take all reasonable steps to minimize the incurrence of cost allocable to the work covered by the order during the period of work stoppage. Within a period of Ninety (90) days after a stop-work order is delivered to the Seller, the Buyer shall either (1) cancel the stop-work order; or (2) terminate the work covered in the stop-work order as provided in Clause 12. Changes of this purchase order.

If a stop-work issued under this clause is cancelled or the period of that order expires, the Seller shall resume work. The Buyer shall make an equitable adjustment in the delivery schedule or contract price or both and the Purchase Order shall be modified in writing.
14. Government Flow-down Clauses: The FAR clauses identified herein are hereby incorporated into this purchase order either (i) in full text if shown or (ii) by reference with full force and effect. The applicability and interpretation of each such clause are subject to any specific parenthetical statement following its title and setting forth conditions, requirements, and instructions for use of the clause. Upon request, the Buyer shall make available to the Seller the full text of any such referenced clause hereof.
15. All Seller services will be hosted and provided in the United States of America. In no event shall the Seller allow any person who is not a United States citizen or a lawful permanent resident to work on or have access to any Buyer data, information, or material.



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Section C

Supplier shall comply with the following Terms and Conditions to comply with the intent of AS9100D standard Section 8.4.3.

Terms & Condition #	Requirement
T1	CERTIFICATION OF COMPLIANCE: Seller shall provide a certification, signed by an authorized Company management representative that addresses compliance with the Customer's drawing & drawing revision, workmanship standard(s), revision(s), & compliance to the Company purchase order, material certification with actual chemical & physical test reports from the lot represented per the specification indicated, & shall not supply material for which they are not certificated or approved. A certificate of conformance is required with each delivery lot/quantity.
T2	RETENTION OF QUALITY RECORDS: Supplier is required to maintain documentation pertaining to this order for a minimum of ten (10) years after delivery, unless otherwise directed by the Purchase Order. This documentation must remain on file & available for review by Company, customer and/or a designated representative or responsible regulator agency for the specified period of time.
T3	QUALITY SYSTEM REQUIREMENTS: Seller & its subcontractor(s) shall, in the performance of this Purchase Order, provide & maintain a quality system that is in conformance with ISO 9001, ISO 13485, AS9100, or the equivalent.
T4	NOTIFICATION OF NONCONFORMING PRODUCT: Supplier is required to notify Company in the event that nonconforming product, which can't be reworked to specification, is produced. Supplier is to obtain Company approval of nonconforming product dispositions. Unapproved repairs or non-conformances that are shipped to Company will be subject to rejection upon detection regardless of the levels of consumption within Company. If Company labor and/or materials are added prior to the detection & rejection, then the supplier &/or subcontractor agrees to reimburse Company for the full loss in value (i.e. the supplied material, component, or assembly; & added Company WIP labor as well as the added higher level material consumed during the WIP process which occurred prior to detection of the repair).
T5	TRACEABILITY: Supplier is required to identify each lot with a unique code number for each heat lot number of raw material and/or each batch of items processed together but separately from the total quantity of the order (i.e. - Heat treatment batches, plating batches, etc.)
T6	TIME SENSITIVE MATERIAL: The supplier shall deliver the products listed on this purchase order must have a MINIMUM of 80% of the specified shelf life upon receipt as calculated from the "date of original manufacture" of the product
T7	RIGHT OF ENTRY: The supplier shall allow Company, our customer and/or a designated representative or responsible regulator agency, access to any location, including sub-tier suppliers, where operations pursuant to a Company purchase order are being executed or where there are records stored applicable to product processed for Company
T8	FLOWDOWN REQUIREMENTS: Supplier must pass on to their sub-tier suppliers all applicable Quality Terms & Conditions as well as any pertaining corrective actions request, quality alert and/or nonconformance information.
T9	PACKAGING: Supplier shall package product for shipment in keeping with good commercial practice, unless otherwise instructed by Purchase Order requirements. Packaging shall be adequate to preclude



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	damage, loss, or corrosion of product shipped. Supplier shall identify the outer container or pallet with the applicable PO#, Part # & Lot #. Shipper/pack slip are to be included with the order.
T10	PRODUCT AND/OR PROCESS CHANGES: The supplier is required to notify Company of any product or process changes which include but not limited to: sub-tier supplier, manufacturing location, substitute components or a change in processing that may have an effect on Company's product quality. Suppliers must obtain Company approval prior to implementation changes.
T11	COUNTERFEIT PRODUCT / MATERIAL: Suppliers shall assure that all products provided to Company are genuine and no counterfeit product shall be used or shipped. Seller shall notify Company immediately if seller suspects or is aware they have furnished counterfeit goods and promptly replace the counterfeit parts with genuine parts. Supplying counterfeit goods to Company will hold the seller responsible for all costs associated with the replacement of said counterfeit parts.
T12	MATERIAL SAFETY DATA SHEETS: Material Safety Data Sheets (MSDS) shall be supplied with shipments of any product that contains polymers, solvents, reducers, adhesives or other materials prone to outgassing volatile organic compounds (VOC's).
T13	FINAL INSPECTION REQUIRED: Submit a Final Inspection Report (FIR) listing actual dimensions measured. The report must indicate: Total quantity, Sample size (please identify the sampling plan you are employing), Quantity accepted. Quantity rejected, Signature, initials or stamp of qualified Company representative performing the inspection & the date the inspection was performed.
T14	FIRST ARTICLE INSPECTION REQUIRED: Submit a complete the current revision First Article Inspection Report (FAIR) AS9102 to Company for inspection & approval prior to proceeding with any further processing &/or production. The FAIR shall include: a fully processed sample, a formal dimensional report, Complete certification, Signature/ initials /or stamp of qualified Company representative performing the inspection & the date the inspection was performed. Items produced prior to COMPANY's approval shall be completely at the risk of Seller.
T15	EXPORT / ITAR REGULATIONS. Items, including any associated drawings or technical data, sent to the seller or to be delivered under this purchase order could be subject to U.S. Export Control laws and / or controlled by the U.S. International Traffic in Arms Regulations (ITAR) 22 CFR part 120-130. Items not specifically classified by Buyer on this purchase order as military items subject to ITAR control are assumed to be commercial items. Where seller maintains the design authority, Seller agrees to notify Buyer if any deliverable under this purchase order is a Defense Article within the meaning of the International Traffic in Arms Regulations, 22 CFR 120-130 (ITAR). Unless otherwise specified by Seller, Seller warrants that no deliverable supplied under the contract is a Defense Article as defined by CFR 120.6.
T16	CALIBRATION / TESTING SUPPLIERS: Calibration/test suppliers must furnish calibration/test reports to the purchase order requirements & be traceable to the specific equipment or item for which they are calibrating or testing traceable to NIST &/or other national or international standards. ISO 9001, ISO 17025, NADCAP testing, ANSI Z540 accreditation will be the quality system requirements. Actual data must be supplied. ISO 10012-1
T17	EMPLOYEE AWARENESS: Supplier is required to ensure that personnel are aware of: <ul style="list-style-type: none"> • Their contribution to product or service conformity • The importance of ethical behavior. • Their contribution to product safety