

Plasidyne Engineering—Terms & Conditions

Purchase Order Quality Requirements for Suppliers and Plasidyne Engineering agree as follows:

By accepting the Purchase Order, the supplier accepts the following requirements were identified on the Purchase Order:

- 1.** The Supplier shall provide product in strict conformance in all ways to applicable Plasidyne Engineering specifications as identified on Plasidyne Engineering, Inc.'s Purchase Order. Supplier must notify Buyer of any changes relating to product and/or process, and must get written authorization or consent. Right of Access for any reason determined by the Buyer, right of access and inspection of Seller's and/or Sub-tier suppliers facilities as well as review of any and all records and information pertinent to production, manufacturing purchasing and quality records. Subcontracting: In the event Supplier must contract a 3rd party in performance of this order, Supplier agrees to enter into a written agreement with 3rd party that obligates 3rd party to be bound by and comply with conditions set forth herein. At Buyers request, Supplier shall provide Buyer with a copy of such written agreement.
- 2.** The Supplier shall, in performance of this agreement, through the issuance of a Purchase Order(s), provide and maintain a quality system.
- 3. QUALITY:** Plasidyne Engineering shall have the right to inspect and test all material at source destination before acceptance. Supplier hereby warrants that the material and workmanship of material delivered here under is of the quality specified, is free from all defects, and complies with the drawings, samples or other specifications if any, in all respects. If the product is found defective, Plasidyne Engineering has the right to return product for full credit or rework product at expense of the supplier. The Supplier shall notify Plasidyne Engineering in a timely manner of any changes which encompasses product/process changes, production/process definition, manufacturing facility, or location of changes in Suppliers that might impact quality of delivery of products.
- 4. PERFORMANCE:** Plasidyne Engineering's suppliers must maintain 90% or higher delivery and quality performance ratings. Failure to maintain required performance ratings will require a corrective action, or you may be considered for removal from the Approved Supplier List.
- 5.** The Supplier shall provide a Certificate of Compliance with each shipment against the Purchase Order. The certificate shall include as a minimum, the following in for:
 - 5.1** Supplier's name and address.
 - 5.2** Date certification issued.
 - 5.3** Plasidyne Engineering's purchase order number.
 - 5.4** Governing specifications and/or drawing number and revision.
 - 5.5** A statement of Quality certifying that all material used is in accordance with the applicable specification. All processes prescribed in the drawing or Purchase Order meet the applicable specification. All required inspections and/or tests, have been successfully performed.
 - 5.6** Signature and title of an authorized company management representative.
 - 5.7** Mercury Free statement. The mercury free statement may be made directly on C of C or may be a separate certification.

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6. PACKAGING AND SHIPPING: Supplier shall assure that Plasidyne Engineering's procured product receives the required cleaning, preservation, and special packaging as specified in the Purchase Order. When requirements are not specified, good commercial practices shall be observed to afford protection and preclude transit damage. Other shipping instructions are contained in the Purchase Order. Shipment documents to include the following documentation:

- 6.1** All documents and data required by the Purchase Order (e.g. certifications, test data, inspection data, test reports, airworthiness approval, etc).
- 6.2** Identification of Purchase Order number, part number, part name, quantity, unit of measure and serial number, if applicable.

7. DOCUMENT RETENTION: The supplier shall retain adequate purchasing, production control, quality, manufacturing and manufacturing methods, tests, and other related documents associated with the item purchased, for a minimum of 15 years after order completion. These records shall provide evidence of conformity to requirements and to the effective operation of the supplier's QMS. Methods and records shall be available for review by buyer's representatives, customers, and regulatory authorities.

8. FAILURE ANALYSIS: When requested by Plasidyne Engineering, the Supplier shall perform a failure analysis and prepare a report providing, as a minimum, the following information:

- 8.1** The reject document identification number.
- 8.2** Description of failed items or components.
- 8.3** The cause of failure.
- 8.4** The corrective action to prevent future rejects.
- 8.5** Effectiveness of the corrective action
- 8.6** Purchase Order number. The report shall be sent to Plasidyne Engineering's Purchasing Department. The report is due within 30 days following receipt of the failed product at Supplier's facility.

9. APPLICABLE LAW: Supplier shall comply with all local, State, and Federal laws and regulation affecting the price, production, sale or delivery of the material under this Purchase Order, or services performed.

10. DRAWINGS, PATTERNS, ETC.: All drawings, blueprints, tracings, patterns, samples, and the like, prepared by Supplier and paid for by Plasidyne Engineering, or furnished to Supplier by Plasidyne Engineering, and the information contained therein, are the property of Plasidyne Engineering, shall not be used by Supplier except to execute this Purchase Order, or except as authorized in writing by Plasidyne Engineering, and shall be delivered to Plasidyne Engineering promptly after completion or termination of this Purchase Order.

11. Right of access for Plasidyne, Customers, and regulatory agencies to records for all applicable facilities and levels of supply chain.

12. The supplier agrees to ensure that persons at their facility or subcontracted external providers are aware of their contribution to product or service conformity, product safety and the importance of ethical behavior.

13. Any questions, problems or difficulties must be directed to Plasidyne Eng. and Mfg., Inc. Quality Assurance department at 562-531-0510 or Quality@Plasidyne.com

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