

ALTEK P.O. TERMS AND CONDITIONS

I. QUALITY CLAUSES

Any of the following clauses will apply, whenever the clause number is specified in the body of the purchase order. **Failure to comply with any specified clause is cause for rejection of merchandise and for withholding of payment for goods and services.**

1. ALTEK, its Customers, and any regulatory agencies reserve the right of inspection and right of access to determine and to verify the quality of workmanship and materials at all stages of production at Supplier's facilities.
2. Supplier is required to follow the provisions of the Defense Priorities and Allocations System (DPAS) regulation (15 CFR 350) and all other applicable regulations in obtaining controlled materials and other products, materials, and services needed to fill this order.
3. The Supplier shall furnish copies with each shipment of all control plans, measurement data, control charts and any other related documentation gathered during the process only as requested on PO.
4. Where applicable if the Supplier uses sub-tier Suppliers in furnishing goods to Altek the Supplier must ensure that all sub-tier Suppliers fulfill all applicable requirements and key characteristics for the product supplied. No changes in sub-tier suppliers may be implemented without prior written approval by ALTEK.
5. Material and/or process specifications are noted on the drawing, purchase order and/or supporting documentation for the purchased material and/or process on this order. Supplier shall use only Customer approved materials and/or process sources whenever specified. **Certification of Conformance to these specifications is required with each shipment of material.**
6. Material certifications for chemical and physical test reports are to be kept on file at your facility or at the Manufacturer's facility and furnished to ALTEK upon request. Certification records are to be maintained for at least 7 years from the date of manufacture.
7. An actual copy of the mill test report for **material identifying chemical and physical properties for each material must be submitted with each lot of parts** against this driver. Failure to furnish the required report is cause for rejection and for withholding of payment for goods or services.
8. The Supplier shall maintain a calibration system in compliance to MIL-STD-45662 and/or ISO 10012 and/or ISO 17025.
9. The Supplier shall maintain an Inspection System in compliance to MIL-I-45208 and/or ISO 9000.
10. In addition to all other requirements specified, **final inspection results on ALL CHARACTERISTICS applicable to work performed must accompany each shipment of material and copies maintained at supplier for seven (7) years.** Sample size to be determined per MIL-STD-105 and/or ANSI/ASQC Z1.4-1993.
11. Title to and the right to immediate possession of all tooling is retained by ALTEK.
12. Supplier certifies compliance with the Clean Air Act of 1990, Section 611, 40 C.F.R., Part 82. This act requires warning statements for products containing or manufactured with ozone depleting chemicals.
13. Material for this order **MUST** meet the requirements for **DFAR252.225-7014**, Preference for Domestic Specialty Metals or Buy American Act per DFAR 252.225-7001. **Material MUST be melted in the USA or a qualified country (225.872.1)** as required. In addition, all shipments to ALTEK **MUST have the country of melt identified on the raw material certification or certificate of test and accompany the shipment.** Not meeting the requirement of this clause will result in rejection of parts sent.
14. When the supplier wishes to apply for concession/waiver for nonconforming material/parts, contact ALTEK's buyer to receive request for waiver.

II. GENERAL CLAUSES

The following clauses apply to ALL purchase orders.

- A. **Shipping tolerance is +5% - 0%** unless otherwise specified in the body of the purchase order.
- B. For change orders, all requirements listed on original order remain in effect, except for changes specified in the body of the change order.

C. ALTEK reserves the right to return or hold subject to our order, all goods or any parts which are not equal to sample and/or meet standards on drawings.

D. Unless authorized by buyer, early or excessive shipment by supplier is not permitted. Buyer reserves the right to have supplier pay freight and/or defer payment of invoice without losing early payment discounts, or incurring late payment charges.

E. **NON-DISCRIMINATION IN EMPLOYMENT** - Supplier shall comply with all provisions of Executive Order 11246, as amended, the provisions found in 41 C.F.R. sec. 60-741 (Disabled Persons) and sec. 60-250 (Veterans), and all relevant rules, regulations, and orders of the Secretary of Labor.

F. **Supplier Written Change Notification**

1. Supplier must notify ALTEK of any change of controlled process status (i.e. suspension, disapproval or loss of quality system).

2. Supplier must notify ALTEK when there are significant facility or organizational changes such as company name, location or key personnel.

3. Supplier of proprietary items must notify ALTEK of any design characteristic change prior to implementation.

G. Suppliers will not disclose, publish, or reveal any designs, specifications, or other informational materials to any other party without written consent from ALTEK.

III. EXPORT CONTROL

A. This Purchase Order/Agreement is associated with items, data and/or services controlled by U.S. export control laws or regulations.

B. Only U.S. citizens and permanent resident aliens (green card holders) may have access to said items, data and/or services without the authority of a U.S. Government export license, agreement or applicable exemption or exception.

C. SUPPLIER agrees to comply with all applicable U.S. export control laws and regulations, specifically including, but not limited to, the requirements of the Arms Export Control Act, 22 U.S.C. 2751-2799, including the International Traffic in Arms Regulation (ITAR), 22 CFR 120-130; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 CFR 730-774; including the requirement for obtaining an export license or agreement, if applicable. Without limiting the foregoing, SUPPLIER agrees that it will not transfer an export controlled item, data, or service, to include transfer to foreign persons employed by or associated with, or under contract to SUPPLIER or SUPPLIER's lower-tier suppliers, without the authority of a U.S. Government export license, agreement or applicable exemption or exception.

D. SUPPLIER shall immediately notify the Buyer if SUPPLIER is, or becomes, listed on any Denied Parties List or if SUPPLIER's export privileges are otherwise denied, suspended or revoked in whole or in part by any U.S. Government entity or agency.

E. If SUPPLIER is engaged in the business of either exporting or manufacturing (whether exporting or not) defense articles or furnishing defense services, SUPPLIER represents that it is registered with the Office of Defense Trade Controls, as required by the ITAR, and it maintains an effective export/import compliance program in accordance with the ITAR.

F. SUPPLIER shall be responsible for all losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of SUPPLIER, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.