

Altek Purchase Order Terms and Conditions

I. QUALITY CLAUSES

Any of the following clauses will apply when the clause number or a written expression of the clause is specified in the body of the purchase order. Additional quality requirements may be specified in the body of the purchase order. **Failure to comply with any specified clause or additional specified quality requirements is cause for rejection of merchandise and for withholding of payment for goods and services.**

Q1. 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.

Q2. Supplier shall conduct a first article inspection; a copy of the report shall accompany the first shipment. Packaging will clearly identify inclusion of said report.

Q3. Supplier shall conduct a first article inspection; a copy of the report shall be submitted to Altek. Upon receipt of FAIR approval, supplier can initiate production to satisfy purchase order requirements.

Q4. Supplier shall furnish copies of measurement data showing compliance with specified requirements, with each shipment.

Q5. A copy of the mill test report for material identifying chemical and physical properties for each material must be submitted with each lot of parts.

Q6. The Supplier shall ensure that measurement equipment be calibrated or verified, or both, at specified intervals, or prior to use, against measurement standards traceable to international or national measurement standards; where no such standards exist, the basis used for calibration or verification shall be recorded.

Q7. 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 ten (10) years. Sample size to be determined per MIL-STD-105 and/or ANSI/ASQC Z1.4-1993.

Q8. 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.

II. GENERAL CLAUSES

The following clauses apply to ALL purchase orders.

G1. **Shipping tolerance is +/- 10%** unless otherwise specified in the body of the purchase order.

G2. For change orders, all requirements listed on original order remain in effect, except for changes specified in the body of the change order.

G3. 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.

G4. 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.

G5. Supplier Written Change Notification: All forms of change notification must be sent to the Altek Buyer. Where the part or material is unique to Altek or Altek's Customers then changes must receive written approval from Altek prior to implementation. Events requiring written notification include but are not limited to; any change of a controlled process status (i.e. suspension, disapproval or loss of quality system), any significant facility or organizational changes such as company name, location or key personnel, any design characteristics to proprietary items.

G6. Suppliers will not disclose, publish, or reveal any designs, specifications, or other informational materials to any other party without written consent from Altek.

G7. If the Supplier wishes to ship nonconforming material/parts, contact Altek's Buyer for proper approval. If the Supplier discovers that nonconforming product has already been shipped to Altek the Supplier must immediately notify Altek's buyer with the extent of the nonconformity, all affected lots with purchase order number as well as total quantity affected.

G8. Altek Inc. reserves the right of access by our representatives, our customers, and any regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

G9. Labor Dispute: Whenever any actual or potential labor dispute delays or threatens to delay the timely performance of this Purchase Order, Supplier shall immediately give written notice thereof Buyer. Supplier shall insert the substance of this provision in its orders with its suppliers.

G10. 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.

G11. 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 purchase order. **Certification of Conformance to these specifications is required with each shipment of material.** Items identified with a part number prefix PT or NI do not require a C of C

G12. Supplier shall use only Customer approved materials, processes and/or sources whenever specified. Certificate of conformance to requirements is required with each shipment of material.

G13. 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 10 years from the date of manufacture.

G14. Title to and the right to immediate possession of all tooling is retained by Altek.

G15. 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.

III. EXPORT CONTROL

E1. This Purchase Order/Agreement is associated with items, data and/or services controlled by U.S. export control laws or regulations.

E2. 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.

E3. 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.

E4. 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.

5. 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.

6. 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.

DATE	REVISION	DESCRIPTION OF CHANGES	APPROVAL
09/15/2010	A	Start of revision tracking.	Michael Marzetta
09/15/2010	B	Changed numbering structure to create consistency throughout document. Revised section related to written notification; noted that for all changes the supplier is to contact the Buyer at Altek. Updated section to give direction for action to be taken when non-conforming product has been discovered at the supplier and what actions to take if that nonconforming material has already been shipped to Altek. Moved sections regarding right of access and nonconformity to General Clause as the Quality Section specifies that sections only apply when referenced in the Body of the Purchase order where these sections apply to all purchase orders. Updated shipping tolerance.	Michael Marzetta
10/22/2014	C	Revised Q clause and General clauses for language, and new flow down requirements from AS9100 and customer requirements. Moved some items from Q clause to General clause.	Todd Baker