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HIGH-TECH MACHINE COMPANY SUPPLIER TERMS AND CONDITIONS AGREEMENT

As a supplier to High Tech Machine Company, Inc. it is understood that your organization agrees to meet the following AS9100 stipulations/requirements when accepting our purchase orders. These requirements are to be considered Terms and Conditions to all purchase orders received. Any changes to these terms and conditions will be stated in the purchase order. WITH THE ACCEPTANCE OF THIS PURCHASE ORDER, supplier ensures that their personnel are aware of their contribution to product conformity, product safety, and the importance of ethical behavior.

RIGHT OF APPROVAL

Our company reserves the right of final approval of product, procedures, processes, and equipment.

QUALIFICATION OF PERSONNEL

Only qualified/certified personnel shall be used based on process specification requirements. Records shall be maintained of the personnel qualifications/certifications.

QUALITY MANAGEMENT SYSTEM

Our company reserves the right to review and approve the Suppliers Quality Management System.

IDENTIFICATION OF SPECS/DRAWINGS

Maintain the proper identification and revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data that may be provided to you from High-Tech Machine Company or its customers. Key, critical, and special characteristics are to be identified and controlled as noted on the purchase order.

TEST SPECIMEN

Our company reserves the right to approve or specify any designs, tests, inspection plans, verifications, use of statistical techniques for product acceptance, and any applicable critical items including key characteristics.

Our company reserves the right to designate requirements for test specimens for design approval, inspection/verification, investigation, or auditing.

INSPECTION OF MATERIAL

High-Tech Machine Company performs inspection activities to ensure that the purchased product meets purchase requirements. They may include receiving inspections (of supplier products / services / documents) and are performed by a designated employee. High-Tech Machine Company verifies the authenticity of the appropriate certificate of conformity, material certificates, etc. and other accompanying documentation by review and comparison (as is appropriate) to the drawing and/or industry specifications or by other means. Furthermore, products are inspected to ensure they meet requirements (dimensions, etc.) and the results are recorded (as appropriate). All special processes



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(anodizing, heat treat etc.) where the compliance cannot be verified by inspections will require a Certificate of Conformity.

NONCONFORMING PRODUCT

When the supplier has determined that nonconforming product(s) have been delivered to High-Tech Machine Company the supplier is required to:

- a. Notify High-Tech Machine of nonconforming product within 24 hours. The supplier shall use receipt acknowledgment e-mail or other positive notification method. The notification shall include the supplier's name, High-Tech Machine Company's PO number, part number and description, affected quantity, packing slip numbers and a brief description of the nonconforming condition.
- b. Obtain our company's approval for nonconforming product disposition.
- c. Notify our company of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations.

FLOW DOWN

Flow down to the supply chain the applicable requirements including all customer Purchase Order requirements and key characteristics to the supplier's vendors of any approved outsourced products or services is required. Purchasing Standard Terms, Conditions and Supplier Quality Requirements according to AS9100D.

RIGHT OF ACCESS

Right of access by High-Tech Machine Company, our customer, and 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 to include verification and validation on site, as defined on the Purchase Order and arranged with the supplier.

DOCUMENTATION FOR SPECIAL PROCESSES

The outsourced process performed by suppliers must qualify the vendor.

MATERIAL SUPPLIERS

Material Certifications must accompany all products shipped for all Purchase Orders fulfilled stating that all materials supplied meets specification and purchase order requirements. Supplier shall ensure that the data sheets match product purchased, and the Supplier shall comply with any special requirements requested by High Tech Machine regarding the control of drawings and specification.

PACKAGING

All material must be packaged suitably for ground or air transportation and must provide protection from in-transit damage. As a minimum, the Supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration, and physical damage during shipment. Electrostatic sensitive products shall be packed in an Electrostatic Discharge (ESD) protective bag. In addition, when materials delivered are lot-controlled and multiple material lots are shipped, each lot shall be separately packaged and identified. Suppliers are also responsible for handling damage that occurred at their location. Failure to comply with this will result in a rejection of the product or parts.



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High-Tech Machine reserves the right to make a disposition on any damaged product to determine whether parts will be returned for credit or deemed usable. If High-Tech Machine determines the product or parts are damaged and dispositioned as not usable, we reserve the right to reject the shipment and return it to the sender at the sender's cost for reprocessing or sorting of damaged product or parts.

SHIPPING

All shipping documents (bills of lading, etc.) must reference the Customer Purchase Order Number. All material shipments must comply with our Packaging Requirements. Every shipment must be protected to ensure the quality, preservation, and safety of the shipment. All freight instructions must be executed. All goods shall be suitably packed and properly marked (including notice of hazardous substances) or otherwise prepared for shipment to secure the lowest transportation rates and to meet the carrier's requirements. Shipments shall be shipped via carrier listed on the Purchase order. Packing list delivered with the ordered product shall have: Seller name and address, ship to address, purchase order number, part number ordered, no pricing or cost information, purchase order line number, item description, quantity being shipped, serial number if applicable, shelf life, date of manufacture and expiration date, manufacture batch or lot number, country of origin, HTS code, and hazardous un number if applicable. The seller shall ensure that all items are correctly classified on the bill of lading to obtain minimum freight rates. All goods must be shipped using ESD compliant packaging standards. Failure to follow these instructions will result in High Tech Machine's non-liability for freight charges and freight charges will be billed to vendor or supplier.

The above instructions apply only to products/ materials being delivered to High Tech Machine, unless drop shipment authorization is given.

COUNTERFEIT PART

If applicable, you are required to have a Counterfeit part program to eliminate the use of any unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component), which is knowingly misrepresented as a specified genuine part of an original or authorized manufacturer. If Counterfeit parts are detected in product procured, you must notify High-Tech Machine Company within 24 hours.

FOD-FOREIGN OBJECT DEBRI

You must ensure processes and products are free of FOD. A substance, debris or article alien to any raw materials purchased.

DATA RETENTION

All records must be retained for five years, and disposal required after 5 years based on the requirements of the customer. This includes electronic files, emails, voicemails, letters and other correspondence, audio and video recordings, contracts, purchase orders, invoices, proforma invoices, instant messenger conversations such as Skype, WhatsApp, WeChat, performance reviews.