Rev. 0

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, THAT PERSONS ARE AWARE OF THEIR CONTRIBUTION TO PRODUCT OR SERVICE CONFORMITY INCLUDING THEIR CONTRIBUTION TO PRODUCT SAFETY AND THE IMPORTANCE OF ETHICAL BEHAVIOR

RIGHT OF APPROVAL

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

QUALIFICATION OF PERSONNEL

All special processes required by this PO must be performed by qualified personnel.

QUALITY MANAGEMENT SYSTEM

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

NONCONFORMING PRODUCT

The Supplier is required to:

a. Notify our organization of nonconforming product.

b. Obtain our organization's approval for nonconforming product disposition.

c. Notify our organization of changes in product and/or process, changes of suppliers, and changes of manufacturing facility locations.

d. Flow down to the supply chain the applicable requirements including customer requirements. Purchasing Standard Terms, Conditions and Supplier Quality Requirements according to AS9100D.

FLOW DOWN

Flow down to the supply chain the applicable requirements including all Purchase Order requirements and key characteristics to the supplier's vendors of any approved outsourced products or services is required.

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.

MATERIAL CERTIFICATION

Certification of Materials and/or Process performed must accompany materials/parts received.

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. 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 much 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' 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 or Global ETS, 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 IPCO 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 5 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.