

TERMS AND CONDITIONS OF AS9100 AND MILITARY PURCHASE

1. SELLER'S WARRANTY - Seller expressly warrants that all Goods ordered, materials, parts and work covered by this order will conform to the specifications, drawings, samples or other description furnished or adopted by Buyer, and will be merchantable of good workmanship and material and free from defect, such warranties shall survive inspection, test and acceptance.
2. BUYER'S INCOMING INSPECTION – The Goods ordered and all parts, material and workmanship entering into the performance of this order may be inspected and tested by the Buyer at all times and places. If any of the articles ordered shall be defective in material or workmanship or otherwise not in conformity with the requirements of this order, the Buyer shall have the right to reject the same for full credit or to require prompt correction or replacement thereof at the Seller's expense, including transportation charges.
3. RISK OF LOSS - The Seller assumes the following risks: (a) all risks of loss or damage to all Goods ordered (and other things to be furnished by the Seller hereunder) until the delivery thereof as herein provided, (b) all risks of loss or damage to third persons and their property until the delivery of all the articles ordered as herein provided, (c) all risks of loss or damage to any property in the possession of the Seller received from or for the account of the Buyer, until such property has been returned to the Buyer as the case may be, and (d) all risks of loss or damage to any of the Goods ordered or part thereof rejected by the Buyer, from the time of shipment thereof to the Seller until the delivery.
4. INDEMNIFICATION – Seller indemnifies and holds harmless Buyer against any and all suits, losses, damages, liabilities, costs and expenses (including reasonable attorney's fees and other costs of defending any action) which such parties may sustain or incur; (a) in connection of a breach of any representation, warranty or undertaking made by Seller in execution of this agreement, (b) in connection of the design, development, manufacture, distribution, sale, use or repair of the Goods, whether the claim be based upon a theory of breach of contract or warranty, negligence or strict liability, other tort, infringement, misappropriation or any other legal theory or (c) as a result of any suit, claim or demand under any environmental, health, safety laws, rules, regulation or requirement.
5. FORCE MAJEURE – Seller will not be liable for failures to produce, ship or deliver Goods when such failures are due to conditions beyond either Seller's control, including strikes and labor disputes within Seller's organization or the organization of suppliers, unavailability of transportation for supplies or finished Goods, war, acts of terrorism, civil disturbances, fire, flood, acts of God and inability for any reason to secure necessary labor, materials or supplies.
6. QUALITY PROCESS ADHERENCE – Seller acknowledges that Buyer is Certified ISO 9000 and AS 9100 and Seller will comply with all reasonable requests by Buyer to supply documentation in support of Buyer's required documentation. SEE APPENDIX A.
7. INTELLECTUAL PROPERTY – Seller stipulates that the sale and supply of Goods do not infringe upon any United States or foreign patents, trademarks, copyrights, trade secrets or any other form of Intellectual Property.
8. BUYER PROPERTY - All drawings, specifications, tools, materials, etc., furnished or paid for by Buyer shall be confidential; shall remain Buyer's property; shall be used only in performance of this order and, with all copies, shall be delivered to Buyer or destroyed, as Buyer specifies. Seller shall require a similar agreement from its suppliers, Seller shall not disclose any information concerning this order or the Goods; (unless they are of Seller's standard manufacture) to any person to whom such information is not necessary in connection with the performance of this order, nor will it release any publicity concerning the same.
9. CANCELLATIONS AND RETURNS. The Buyer reserves the right to terminate its obligations under this order or any part hereof if any delivery is not made within the time provided or if no time is specified, with Goods ordered that are delivered not as specified. Such right shall be in addition to the Buyer's other legal rights whether set forth in this order or not. Notwithstanding any right on the part of the Buyer to terminate its obligations, under this order for default on the part of the Seller, the Seller shall not be liable to the Buyer for any damages, if the Seller's default is due to a cause beyond its control and without its fault or negligence.

No variations in the delivery schedule, price, quantity, specifications or other provisions of this order shall be effective unless agreed to in writing and signed by the Buyer's purchasing agent or authorized representative.

Any article delivered to Buyer more than fifteen (15) days in advance of the delivery date stated herein, or any written modification of such delivery date signed by the Buyer, may be returned to Seller at Seller's risk and expense.
10. LEGAL JURISDICTION - This order and the performance of the parties hereunder shall be construed in accordance with and governed by the law of the State of Connecticut.

APPENDIX A

Seller acknowledges that materials and services supplied by Seller under this Purchase Order are subject to the Buyer's Quality Control Standards and as such are subject to "flow-down" Quality requirements stipulated by Buyer. Said requirements are listed below and will be described on purchase order as it pertains to Buyer's individual orders:

- A) NOTIFICATION OF NON-CONFORMANCE – Seller is absolutely required to notify Buyer of any non-conformance of Goods while in manufacture process and post-shipment of Goods even if the Buyer has Inspected and Accepted Goods through their QC System. Further, should the Goods be found to be non-conforming at any time while in the Seller's possession, Seller MUST obtain Buyer's approval for non-conforming goods disposition.
- B) CHANGES IN SELLER'S PRODUCT AND/OR PROCESS, SUPPLIERS, MANUFACTURING FACILITIES LOCATION – Seller will notify the Buyer of any and all changes in product and/or process, changes of suppliers, changes of manufacturing facility location and obtain Buyer's written approval in advance of any such changes.
- C) RECORDS RETENTION – Seller shall retain quality records for minimum of (10) years from the date of shipment, unless a longer period is otherwise specified. If original records are not maintained, the method for transferring original records to electronic images, shall comply with FAR 21, subpart 4.7. Quality records include the following but not exhaustive list: Approved Certificates of Conformity, Test Reports, Raw Material Certifications, Special Process Certifications, First Article Inspection Reports (FAIR), Route Cards/Travelers, and Calibration Records. This data shall be made available to Trans-Tek upon request, at no extra charge. Records shall be appropriately identified in accordance with customer, regulatory and company defined requirements. Storage facilities shall provide environmental conditions to prevent deterioration or damage and to prevent loss. Records in storage shall be protected from unauthorized access. The nature of the information in the records, as well as its format, dictates the method by which they shall be destroyed. When records contain sensitive information (such as design detail, proprietary info, ITAR restricted info, etc.), they shall be disposed by irreversible destruction methods such as shredding, or "erasure"/reformatting for electronic/magnetic media.
- D) ON-SITE INSPECTION – Buyer, their Customers and Regulatory Authorities and Agencies, has the right of access to the applicable areas of all Seller's facilities, at any level of the Seller's supply chain, involved in the order and to all applicable records, thereof. Further, Buyer has the right to see that this requirement has been pro-actively "flowed-down" to and through the Seller's supply chain and all sub-supply chains, thereof.
- E) TRACEABILITY AND LOT CONTROL – Seller shall ensure that individual articles and materials and lots thereof are identified and segregated from all other articles, materials, and lots at all times. Records for articles shall indicate the part number, revision level, lot number and if applicable the serial number and associated detailed information. Records for materials shall indicate type, applicable serial numbers, lot numbers, heat numbers, batch, date code, cure date, etc. Material or articles furnished by Trans-Tek for outside operations must remain identifiable by the Trans-Tek supplied lot or serial number. This number must be recorded on all applicable seller paperwork.
- F) QUALITY MANAGEMENT SYSTEM (QMS) – Seller shall have and be able to show, an implemented QMS such as ISO/AS9100.
- G) EXTERNAL PROVIDERS – Seller shall, when required by buyer, use designated or approved external providers.
- H) COUNTERFEIT PARTS – Seller shall recognize issue of counterfeit parts and will have system in place to address so as to minimize chance of buyer receiving such.
- I) PERSONNEL AWARENESS – Seller shall ensure that persons are aware of their contribution to product or service conformity, product safety and the importance of ethical behavior.

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