

UTD CONDITIONS OF PURCHASE

FLOW DOWN

The seller is to flow down to sub-tier suppliers the applicable requirements including customer requirements (where applicable). Suppliers must ensure that persons are aware of their 1) contribution to product and/or service conformity 2) contribution of product safety 3) and the importance of ethical behavior.

NONDISCLOSURE

All final customer or OEM documentation and/or information provided with this contract are to be considered proprietary and shall be subject to nondisclosure.

ITAR/ EAR

Documents flowed down may contain technical data, export of which is restricted by the International Traffic in Arms Regulations (ITAR) and/or The Export Administration Regulations (EAR). Disclosure to foreign persons without prior U.S. Government approval is prohibited. Violations of these export laws and regulations are subject to severe civil and criminal penalties.

DFAR's

Raw material must comply with DFAR's 252.225-70009 & 252.225-7014 requirements.

CERTIFICATIONS, C of C, AND INVOICES

A C of C along with a packing slip must be provided with all shipments. UTD's purchase order number and part number must appear on all c of c and packing slips. Raw Material C of C's and/or packing slip must show the heat numbers from the mill to ensure full traceability.

COUNTERFEIT PROGRAM REQUIREMENTS

Any product supplied must have OEM traceability disclosed with every shipment. All MFR certs with Lot# are required and all distributors' certs in supply chain as well. Certifications from each intermediary in the supply chain (if any) must be supplied.

RECORD RETENTION

Quality Records retained by the seller shall remain legible, readily identifiable and retrievable for a period of 10 years. Records after 10 years must be shredded.

PART CONFIGURATION

Seller agrees **NOT** to make any changes in regards to A) Materials, B) Processes, C) Design detail, D) Part Number Identification, E) Physical or functional interchangeability, F) Repair and/or overhaul procedures/processes, G) or any other changes which would affect the part or any component thereof without prior written approval from The United Tool & Die Company (UTD).

QUALITY CONTROL

The seller will ensure that material furnished on this order complies with all specification requirements set forth on the purchase order. All product and materials shall be inspected and accepted in accordance with this agreement with records maintained. When requirements for a 1st piece is specified on the purchase order a UTD first piece inspection must be performed prior to any operation that will render a feature uninspectable. All products and services provided shall be subject to final customer acceptance.

NONCONFORMING PRODUCT

The seller shall notify UTD of nonconforming product prior to delivery for disposition, or upon detection for product already delivered. Product rejected for inferior quality or workmanship will be returned at the sellers' expense. At the discretion of UTD President, suppliers may incur total cost of replacement in the event that nonconforming items are non-reworkable. In the event a corrective action is issued, a 10 day time-frame is given for a response. In the event a corrective action is past due and no response has been submitted, a complaint may be filed in the OASIS database which will trigger a notice to your registrar's auditor to be address on your next audit.

PACKAGING & PRICES

Items are to be packaged in a way that prevents damages from occurring during transit. No charges for packaging or shipping will be accepted unless previously agreed upon.

DELIVERY & CANCELLATION

Time is of the essence of this order and UTD reserves the right to cancel the order if it is not filled within a reasonable time or if any sections of the order are violated. Exceptions will be made for causes beyond the seller's control.

RIGHT OF ENTRY

UTD or UTD designated representatives retains the right of entry into a subcontractor's facility for verification of quality and product conformity and all applicable records. Delegated representatives may include UTD customers or regulatory agencies.

PATENTS AND COMPLIANCE

The seller shall comply with all applicable laws, regulations, and directives, Federal, State and Local, and the seller agrees to hold the purchaser harmless from all claims of actual or alleged patent infringement.

GOVERNMENT CONTRACTS

When the end user is identified as the United States Government or when other indications denote the material being purchased is in connection with a government contract, this purchase order shall be deemed a subcontract and all applicable provisions required by Federal law, Executive order, Armed Services procurement regulations, and the prime contract are hereby incorporated herein by reference.

Any additional requirements/specification will be stated on the actual purchase order.