

# Universal Precision Technology

Universal Tool & Die (DIV of 1156406 Ontario Inc.) ISO9001 + AS9100 + CGP Registered

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## **STANDARD TERMS AND CONDITIONS**

### **DEFINITIONS**

"**Contract**" shall mean any contract resulting from this order "**Order**" shall mean this purchase order "**Buyer**" shall mean Universal Precision Technology "**Seller**" and/or "**Supplier**" shall mean the person on whom this order is placed "**Goods**" and/or "**Products**" shall mean the supplies to be delivered under the contract and shall be deemed to include any service(s).

### **ACCEPTANCE**

This purchase order constitutes buyer's offer to seller, and is a binding contract on the terms and conditions set forth herein when it is accepted by seller either by the acknowledgement or the commencement of performance hereunder. No condition stated by the seller in accepting or acknowledging this order shall be binding upon buyer if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless accepted by buyers written approval.

### **REVISIONS**

No revision of this order of any of the terms and conditions hereof shall be valid unless in writing and signed by an authorized representative of buyer's purchasing department.

### **DELIVERY**

Delivery shall be strictly in accordance with the delivery schedule set out in this order. Notwithstanding this provision, the seller shall not be liable for delays or defaults due to causes beyond its control and without its fault or negligence, provided however, that if the seller has reason to believe that deliveries will not be made as required, due to such cases, written notice setting forth the cause of any anticipated delays shall be given immediately to buyer. The supplier shall complete and deliver the goods at the time or times specified in the order without thereby incurring any liability. The seller shall deliver such goods on the revised date(s) so notified and shall not make any claim for adjustment in price or otherwise in respect of any such postponement unless otherwise agreed in writing by the buyer. If the supplier delivers quantities in excess of the quantity due, the buyer shall have the right to accept or reject the excess quantity.

### **TERMINATION**

Failure to comply with the specification, terms and conditions of this order, or to deliver material in accordance with seller's promise shall be grounds for cancellation without penalty to buyer.

### **PRODUCTS AND SERVICES ACCEPTANCE AND REJECTION**

All articles will be subject to final inspection and acceptance by buyer within a reasonable time after receipt at our destination and inspected prior to payment. Buyer may reject any article which contains defective material or workmanship or does not conform to specifications, samples or warranties. Any article so rejected may be returned to seller at seller's risk and expense, and at full invoice price plus applicable transportation charges both ways. No defective article or material shall be replaced unless requested by buyer.

## **GENERAL REQUIREMENTS**

The supplier shall implement and maintain a Quality Management System as applicable (e.g. AS9100, ISO9001, NADCAP, etc). In the case of Trades, personnel shall have a valid certification pertaining to their skill set. Copies of certifications are required for our records.

**Certificate of Conformance (Required for Goods Intended for Aircraft Applications and for Goods where required on the Relevant Drawing or Order)**

**A CERTIFICATE OF CONFORMANCE IS REQUIRED WITH ALL SHIPMENTS AND THE FOLLOWING CONDITIONS APPLY.**

- All items supplied on this order must be certified to meet the military specification when applicable and/or as specified by Universal Precision Technology. The product supplied shall be new and conform to the latest issue of the applicable drawing, specification and/or part number that is in effect on the date of contract unless specified otherwise by Universal Precision Technology. All documentation pertaining to this order must remain at your facility for no less than ten (10) years. These documents can be requested at any time by Universal Precision Technology. Substitution of items/part numbers ordered is prohibited unless Universal Precision Technology provides written approval, including an amended PO for the goods to be supplied.
- Any markings required by ITAR including exceptions, exemptions, destination control statements and license numbers.
- All key characteristics outlined in this Standard Terms and Conditions shall be flowed down to sub-tier suppliers.
- Supplier is to provide Universal Precision Technology with notification of non-conforming products.
- Supplier must provide written notification for Universal Precision Technology approval to changes in product and/ or process definition.

### **NEW MATERIALS; PACKAGING, SHIPPING, MARKINGS**

All goods to be delivered hereunder shall consist of new material. Seller shall prepare and package the goods to prevent damage or deterioration and shall use best commercial practice for packing and packaging of items to be delivered under this contract, unless otherwise specified in the contract. The following Packaging and Labeling requirements are MANDATORY:

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PO number must appear on all correspondence relating to this order including any shipping documentation, such as the commercial invoice, packing list or other required documentation accompanying any shipment to Universal Precision Technology. Packages containing goods having limited shelf life are to be marked with the Production Lot Number. Failure to comply will result in rejection and return at Sellers expense. Shelf-life items must have a minimum of 2/3 shelf life remaining upon receipt at Universal Precision Technology.

**SAFETY DATA SHEET** must be supplied with all hazardous materials.

**MISHAP INVESTIGATION CLAUSE:** All subcontractors shall cooperate and assist in aviation specific mishap investigations. Seller grants the Buyer or his authorized representative the right to examine books, records, documents and other supporting data, which will assist in an investigation. This right may be exercised at any time subsequent to an incident.

**TEST SPECIMENS:** Shall meet the specifications provided via Universal Precision Technology. Universal Precision Technology sample parts are to be returned upon completion of testing /inspection or as requested.

#### **FIRST ARTICLE INSPECTION (FAI)**

Universal Precision Technology requires all first-time deliveries of custom manufactured parts to include a full First Article Inspection report be filled out by the manufacturer. The sample, on which the FAI was performed shall be clearly marked on the sample and the FAI report. Where the drawing has been updated and there is a change in the form, fit or function of the part a FAI must be submitted for the change/update only. The FAI should confirm that all processes, materials and dimensions are met. In the case of raw material or process i.e. paint, chromate, etc., proof of traceability shall be made available either through MTR's and/or test reports. Drawing notes should be referenced and their acceptance confirmed. Any discrepancies detected by the manufacturer during the FAI shall be reported to Universal Precision Technology and a deviation should be sought in advance of any parts being shipped to Universal Precision Technology. Under no circumstances shall a nonconforming part be sent to Universal Precision Technology without their approved deviation. Failure to comply with the above requirements will result in Universal Precision Technology rejecting the product.

#### **RECORD RETENTION**

In addition to contractual requirements the supplier shall retain verifiable objective evidence of inspection and tests performed. Quality records shall be made available for evaluation for a contractually agreed upon period. Unless otherwise specified, this period shall be a minimum ten (10) years.

#### **NOTIFICATION OF NON-CONFORMING PRODUCT AND PROCESS CHANGE**

The supplier is to notify the Buyer of changes in product and/or process including changes to their external providers or location of manufacture, definition and obtain Universal Precision Technology's approval.

**RIGHT OF ACCESS BY UNIVERSAL PRECISION TECHNOLOGY, THEIR CUSTOMER AND REGULATORY AUTHORITIES** In accordance with contractual agreements, right of access by Universal Precision Technology, their customer, and regulatory authorities shall be afforded to all facilities involved in the order and to all applicable records.

#### **KEY CHARACTERISTICS**

Where Identified within the specification, drawing and/or purchase order the supplier shall flow down to sub tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.

#### **FOREIGN OBJECT DEBRIS**

All product supplied to Universal Precision Technology must be FOD free.

#### **COUNTERFEIT WORK/PARTS**

The following stated requirements are applicable to all work consisting of parts delivered to the lowest level of identifiable items:

- Suppliers/Subcontractors shall ensure counterfeit work/parts are not delivered to Universal Precision Technology.
- Suppliers/Subcontractors shall notify Universal Precision Technology immediately with any and all pertinent facts and details, upon awareness or suspicion of counterfeit work/parts.
- Suppliers/Subcontractors are responsible in rectifying any counterfeit work/parts delivered under contract (Purchase Order) at their expense and ensure replacement work conforms to the requirements.
- These requirements are in addition to any quality provisions, specifications, statement of work, or other provision included in the contract addressing authenticity of work/parts.
- Counterfeit Parts: Vendors and sub tier vendors who buy and sell parts shall implement a Counterfeit Parts Control Program, plan or process that mitigate risk, provide for control and disposition of suspect and/or counterfeit parts.

#### **CONFLICT MINERALS**

In 2012 the U.S. Securities and Exchange Commission provided final rules regarding conflict minerals reporting for gold, tin, tantalum and tungsten used in products and manufacturing. Suppliers must now disclose if they use these materials and what effort have been undertaken to ensure those metals do not contribute to armed conflict in the Democratic Republic of Congo (DRC) and surrounding areas.

#### **DFARS**

When the materials or products furnished are for use in connection with a U.S. Government Department of Defense prime contract or subcontract, in addition to the DRS General Purchase Order Terms and Conditions and the Supplement 1 FAR provisions, the following provisions shall apply. The effective version of each Department of Defense FAR Supplement (hereinafter "DFARS") provision shall be the same version as that which appears in Buyer's prime contract or higher tier subcontract under which this Purchase Order is a subcontract. In the event of a conflict between these DFARS provisions, or the Supplement 1 FAR provisions, and the General Purchase Order Terms and Conditions, the DFARS provisions shall control.

#### **STANDARDS OF BUSINESS ETHICS AND CONDUCT**

Buyer will conduct its business fairly, impartially, and in an ethical and proper manner. Seller shall conduct its business fairly, impartially, and in an ethical and proper manner. Seller shall not engage in any personal, business or investment activity that may be defined as a conflict of interest, whether real or perceived. If Seller has cause to believe that Buyer or any employee or agent of Buyer has behaved improperly or unethically under this subcontract, Seller is encouraged to exert reasonable effort to report such behavior when warranted.

#### **QUALITY POLICY**

Please visit our website at: [www.universalprecisiontechnology.com](http://www.universalprecisiontechnology.com)