

Per these terms and condition the Buyer is Metal Motion and its customers, the seller is the facility that the Purchase Order was issued to. All terms and conditions apply unless stated otherwise in the clause pertinent clause

## TERMS AND CONDITIONS:

1. **RIGHT OF ENTRY:** Metal Motion, their customers, and regulatory agencies shall have the right of access to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable orders during normal business hours.
2. **DELAY:** Time is of the essence in performing this Order. Should Seller experience or anticipate any delay in performing this Seller shall immediately notify Buyer of such delay, it's expected duration and the reasons thereof. Neither such notification nor an acknowledgement by Buyer shall constitute a waiver of the Order's delivery schedule. The delivery schedule shall not be modified unless the parties do so in writing. Seller shall be liable for any direct or consequential damages resulting from a delay unless the delay is excusable. Seller shall be liable for any direct or consequential damages to Buyer resulting from any failure of Seller to give immediate notice of any anticipated or actual delay.
3. **SUBCONTRACT:** Seller agrees that it will not enter into a subcontract or purchase order for the procurement of the items covered by this order unless it is procurement of processing or raw material. If processing or raw material is required it must be flowed down to subcontractor's sub-tiers per Metal Motion's customer's specifications and requirements. Example per customer (Boeing product only, use D1-4426) (Cessna product only, use CQRS) (Bombardier product only, use BAPS ) Ref. form# F-740-009 Purchase Order, for defined applicable requirements including any special customer requirements.
4. **SPECIFICATION:** Unless otherwise directed in this Order, Seller shall manufacture the Articles in accordance with the Metal Motion customer's current specifications, drawings and designs for the Articles. Seller is responsible for validating that the Order's specifications and/or drawings are the current revision. If Seller determines that any of the specifications and/or drawings are not the most current revision, Seller shall so notify Buyer immediately.
5. **SYSTEM AND MANAGEMENT CHANGES** – Seller shall inform Buyer of any changes in facility location, product and/or processes, changes of suppliers, added facilities, changes in quality system and/or changes in management by written notice within 5 days of change.
6. **UNAUTHORIZED REWORK** – Seller shall not perform any rework or rework methods on product damaged or found to be discrepant during fabrication or processing, unless such reworks are able to bring the product back 100% to drawing compliance.
7. **PURCHASE ORDER NUMBER:** The Order number must appear on all shipments, certificates of conformity, packing sheets, bills of lading, invoices, certifications and First Article Reports.
8. **CERTIFICATE OF CONFORMANCE/COMPLIANCE:** Any of the work, process, manufacturing, fabrication or assembly applicable to the items ordered (including processes or military specifications) and/or referenced on the purchase order must be certified by a statement of conformance, to be worded in effect as follows or "This is to certify that the work performed as required by Metal Motion purchase order number                      was performed in accordance with the requirements of the specifications and purchase order instructions or a similar statement. This C of C must be signed by authorized personnel.

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The signed certificate of conformance/compliance must accompany all items shipped under this purchase order.

9. **OVER SHIPMENT:** In the event that Metal Motion owned raw material is supplied only the quantity of product stated on the purchase order may be produced if excess material is supplied. In the event that more than the purchase order quantity is produced seller shall notify buyer purchasing of the over production. At the discretion of Metal Motion purchasing a revised purchase order may be made in the event that the buyer wishes to buy the over production. If buyer does not wish to provide a purchase order change the overage will be return to Metal Motion and the quantity shall be destroyed. Any cost associated with the loss of raw material shall be charged to the seller.
10. **NONCONFORMING PRODUCT/ MATERIAL:** In the event that material/ product supplied by the seller to the buyer is found to be nonconforming it shall be immediately identified as nonconforming. Upon return of buyer's material/ product it must be identified as discrepant and reason for discrepancy described. Any discrepant quantity must be stated on the shipping documentation as such. Any major failures in product must be immediately communicated to the buyer's purchasing.
11. **CORRECTIVE ACTION:** In the event of any major process, system of product failures identified the seller shall provide corrective action when requested within 30 days of request.
12. **PACKING:** The Articles shall be packed and shipped by Seller in accordance with Buyer's instructions and good commercial practice and so as to insure that no damage shall result from handling, weather or transportation. If Articles are tendered to a common carrier for delivery, packing also shall conform to packing requirements applicable to such carrier. The cost of such packing and shipment shall be included in the price of the Articles. Damage to any Articles resulting from improper packing and any consequential damages will be charged to Seller. Packing sheets must accompany each shipment. No charge shall be made for transportation, cartons, wrapping, packing, boxing, crating, drayage or other costs, unless authority for such charge is expressly incorporated in this order.
13. **INVOICES:** Invoices should be mailed in duplicate at time of shipping.
14. **USE.** The Articles are understood to be for the use of the Buyer, it's suppliers or it's customers, and deliveries and shipments shall be made as directed by the Buyer in its absolute discretion; all Articles contracted for may be subjected to further processes of manufacture, combined with other Articles, or put to any use whatsoever, by the Buyer, it's suppliers or its customers as it or they may elect; and in no event shall any claim for royalty or other additional compensation be made by the Seller, by reason of such manufacture, combination or use. Any information which Seller may disclose to Buyer with respect to the design, manufacture, sale or use of the Articles covered by this Article shall be deemed to have been disclosed as part of the consideration for this Order and Seller shall not assert any claim against Buyer by reason of Buyer's use thereof.
15. **MATERIAL OR FUNCTIONAL TEST REPORT RETENTION REQUIREMENT:** Material and/or functional test reports for this purchase order shall be maintained by the seller for a period of 10 years. Unless extended retention is required by Federal, Government or Metal Motion customer's requirements. Upon lapse of required retention time seller shall notify Metal Motion and provide Metal Motion the option to retain the reports for a further period.
16. **PRODUCT TRACEABILITY-** The Seller shall maintain the traceability of all product through all stages of production. The Seller's process shall ensure traceability of product from the raw material used to the finished product. The Seller shall ensure that the product will be identified with a unique traceability number at all stages of manufacturing process. Identification and traceability of the individual lot, batch, heat number, etc., shall be maintained from time of receipt by seller, from seller's sub-tier sources, to delivery to buyer.

**Metal Motion Terms and Conditions**

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17. **RIGHTS REMEDIES AND WAIVER:** The rights and remedies provided Buyer herein shall be cumulative, and in addition to any other rights and remedies provided by law or equity. A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach. The laws of the state shown in Buyers address, printed on the face of this Order, shall apply in the construction hereof.
18. **FIRST ARTICLE:** When a purchase order states First Article Report required: A First Article Inspection of all requirements in regards to dimensional, process, and/or raw material. This is recommended to be in an AS9102 format
19. **CALIBRATION-** This clause only applies to suppliers performing calibrations. Supplier shall certify all calibrations of Measuring and Test Equipment are in compliance with ANSI Z-540-1, ISO10012 or ISO17025 and must include the following on certification of calibration.
- Tool Identification number
- Date of calibration
- Recall Date
- Calibration Method (either internal or industry standard)
- Calibration standard(s) used for the calibration (N.I.S.T. traceable)
- Tools accuracy
- Compliant to ANSI Z-540-1, ISO10012 or ISO17025
- Instruments Condition in relation to calibration (Acceptable/ Rejected) Certification number
- As found and as left condition
20. **COMPLIANCE WITH LAWS:** Seller shall comply with all federal, state, and local laws, executive regulations and Orders. Seller shall indemnify and hold Buyer harmless to the full extent of any loss, damage or expense, including lost profit, attorney's fees and court costs, for any failure or alleged failure of Seller to comply with the requirements of this paragraph.
21. **ENTIRE AGREEMENT, AMENDMENT:** Provisions contained herein constitute the entire agreement and supersede all previous communications, representation, either verbal or written, between the parties hereto with respect to the subject matter hereof. This agreement may not be changed, altered, supplemented or added to at any time except by supplemental written contract.
22. **RECORD RETENTION:** The seller shall maintain on file at the seller's facility, quality records traceable to the conformance of product/ part numbers delivered to Metal Motion. Seller shall retain such records for a period of not less than (10) ten years from the date of shipment under each applicable order for all product/ part number unless otherwise specified on the order. At the expiration of such period, Metal Motion reserves the right to request delivery of such records. In the event Metal Motion chooses to exercise this right, seller shall promptly deliver such records to Metal Motion at no additional cost on media agreed to by both parties.
23. **PREVENTION OF COUNTERFEIT PARTS:** Seller shall control processes as appropriate to the organization and sub-tier suppliers to prevent counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to Metal Motion. In the event that any product provided to Metal Motion is suspect of any potential counterfeit or suspected counterfeit product Metal Motion must be contacted with the extent and which purchase orders are affected within one business day. In the event that Metal Motion finds any unethical practices in relation to contracted work Metal Motion reserves the right to cancel any active orders.