

# INCOTEC

## PURCHASE ORDER TERMS AND CONDITIONS

<b>THE FOLLOWING GENERAL TERMS AND CONDITIONS (GTC) APPLY TO ALL INCOTEC. PURCHASE ORDERS AND CONTRACTS, UNLESS OTHERWISE NOTED. SPECIFIC INCOTEC QUALITY REQUIREMENTS (GTC) CLAUSES APPLY WHEN NOTED ON THE PO.</b>		<b>Date / Revision:</b> <b>04/11/10 / Rev. NC</b> <b>Document # F7.4.6</b>
GTC - 1	<b>RIGHT OF ENTRY</b> THE BUYER AND BUYERS CUSTOMER, AND THEIR CUSTOMERS, OR ANY APPLICABLE REGULATORY AGENCY WILL HAVE THE RIGHT TO ENTER THE SUPPLIER'S FACILITY TO PERFORM INSPECTION OR ENSURE COMPLIANCE TO THE CONTRACT.	
GTC - 2	<b>ACCEPTANCE</b> OF THIS ORDER, OR THE INITIATING OF ANY PROCESS, OR THE FURNISHING OF ANY PRODUCT, OR THE ACCEPTANCE OF PAYMENT, CONSTITUTES UNCONDITIONAL ACCEPTANCE BY THE SUPPLIER.	
GTC - 3	<b>AMENDMENTS</b> TO THIS ORDER, OR INCOTEC TERMS AND CONDITIONS SHALL BE SET FORTH IN WRITING, VIA PURCHASE ORDER CHANGE NOTICE, AND /OR REVISIONS TO THE PURCHASE ORDER TERMS AND CONDITIONS. INCOTEC WILL CONSIDER SUPPLIER'S REQUEST TO MODIFICATION OF, OR EXCEPTION TO, ONLY IF SUCH REQUEST IS MADE IN WRITING, PRIOR TO THE ACCEPTANCE OF THE ORDER (REF. ACCEPTANCE CLAUSE).	
GTC - 4	<b>SHIPMENT</b> OF GOODS AND SERVICES UNDER THIS ORDER SHALL BE F.O.B AS SET FORTH ON THE FACE OF THE ORDER. SUPPLIER SHALL FOLLOW BUYERS INSTRUCTIONS REGARDING METHOD OF SHIPMENT, EXCEPT WHERE BUYER HAS SO STATED ON THE FACE OF THE ORDER.	
GTC - 5	<b>SCHEDULE</b> FOR DELIVERY WILL BE THE RESPONSIBILITY OF THE SUPPLIER. THE SUPPLIER SHALL NOT BE HELD LIABLE FOR DAMAGES IN RESPECT TO DELIVERY DELAY DUE TO CAUSES BEYOND SUPPLIER'S REASONABLE CONTROL. HOWEVER, IF THE SUPPLIER DOES NOT MEET THE DELIVERY DATE AS DEPICTED ON THE FACE OF THE ORDER, THE BUYER MAY APPROVE A REVISED DELIVERY SCHEDULE, OR TERMINATE THE ORDER WITHOUT LIABILITY FOR SUCH TERMINATION.	
GTC - 6	<b>HAZARDOUS MATERIAL</b> SUPPLIER AGREES TO FURNISH THE APPLICABLE MATERIAL SAFETY DATA (MSDS) SHEET(S) WITH EACH SHIPMENT, FOR PRODUCTS DESIGNATED BY INDUSTRY, STATE, OR FEDERAL AGENCIES AS HAZARDOUS MATERIAL.	
GTC - 7	<b>PACKAGING AND PROTECTION</b> OF THE PRODUCT SHIPPED SHALL BE IN ACCORDANCE WITH THE INCOTEC PO OR BEST COMMERCIAL PRACTICE TO PROTECT PRODUCT FROM DAMAGE AND/OR DETERIORATION.	
GTC - 8	<b>CHANGE NOTIFICATION</b> WHERE APPROPRIATE, SUPPLIER SHALL NOTIFY INCOTEC OF CHANGES IN PRODUCT AND/OR PROCESS DEFINITION WHERE FIT FORM OR FUNCTION MAY BE AFFECTED. <b>CANCELLATION</b> SHALL REMAIN THE RIGHT OF THE BUYER AND MAY BE INITIATED AT ANY TIME.	
GTC - 9	<b>TEST SPECIMENS</b> SHALL BE REQUIRED WHEN THERE IS A DESIGN APPROVAL FROM AN INCOTEC CUSTOMER, INSPECTION, INVESTIGATION OR AUDITING.	
GTC - 10	<b>TOOLING</b> FURNISHED BY INCOTEC SHALL BE MAINTAINED INDOORS, THE SUPPLIER IS RESPONSIBLE TO ENSURE ADEQUATE CARE IS UTILIZED WITHIN THEIR FACILITY, TO MAINTAIN THE TOOLING IN GOOD WORKING CONDITION. ANY DAMAGES TO THIS TOOLING, WHILE IN THE CARE OF THE SUPPLIER SHALL BE REPORTED TO THE INCOTEC BUYER IN WRITING. INCOTEC SHALL DISPOSITION DAMAGED TOOLING PRIOR TO FURTHER PROCESSING BY THE SUPPLIER. SUPPLIER REWORK OF INCOTEC FURNISHED TOOLING SHALL BE AUTHORIZED IN WRITING.	
GTC - 11	<b>QUALITY ASSURANCE</b> THE SUPPLIER SHALL COMPLY WITH THE INCOTEC QUALITY SYSTEM REQUIREMENTS AS SPECIFIED BY THE INCOTEC SUPPLIER SURVEY OR PURCHASE ORDER. SUPPLIER AGREES TO IMPLEMENT AND MAINTAIN THE QUALITY OR INSPECTION SYSTEM DURING THE PERFORMANCE OF THIS CONTRACT. <b>AN AUTHORIZED CERTIFICATE OF CONFORMANCE IS REQUIRED WITH EACH SHIPMENT. PROCESS SUPPLIERS SHALL FURNISH A COMPLETE CERTIFICATE OF CONFORMANCE WITH EACH SHIPMENT INDICATING THE PO NUMBER, SPECIFICATION NUMBER AND REVISION, NAME OF SUPPLIER AND QUANTITIES ACCEPTED AND REJECTED. MATERIAL SUPPLIERS SHALL FURNISH CHEMICAL/PHYSICAL TEST REPORTS WITH EACH SHIPMENT IDENTIFYING THE APPLICABLE SPECIFICATION AND REVISION, ACTUAL CHEMICAL COMPOSITION AND PHYSICAL PROPERTIES, MELT, HEAT, BATCH, OR LOT NUMBER(S).</b> <b>TRACEABILITY</b> ALL PARTS / MATERIAL AND APPLICABLE DOCUMENTS MUST BE IDENTIFIED BY A MANUFACTURING LOT OR BATCH NUMBER BY THE SUPPLIER. <b>RECORD RETENTION</b> SUPPLIER SHALL RETAIN ALL RECORDS PERTAINING TO MATERIAL/ MFG PROCESS SPECIAL PROCESSES, TEST AND INSPECTION FOR A MINIMUM OF 7 YEARS OR AS REQUIRED BY THE INCOTEC CUSTOMER; CHANGES TO THIS REQUIREMENT SHALL BE ADDRESSED ON THE PURCHASE ORDER. NOTIFY INCOTEC PRIOR TO DESTRUCTION. ADDITIONAL INCOTEC QUALITY REQUIREMENTS (GTC CLAUSES) APPLY WHEN REFERENCED BY INCOTEC PO.	
GTC - 12	<b>NONCONFORMANCES</b> IT IS THE RESPONSIBILITY OF THE SUPPLIER TO INFORM INCOTEC, WHEN IT HAS BEEN DETERMINED THAT A NON CONFORMING PRODUCT HAS BEEN SHIPPED TO INCOTEC OR ITS CUSTOMERS. SUCH COMMUNICATION SHALL BE PERFORMED WITHIN 48 HOURS FROM THE TIME OF DISCOVERY.	
GTC - 13	<b>AGE SENSITIVE MATERIAL</b> CERTIFICATE OF CONFORMANCE FOR AGE SENSITIVE MATERIAL SHALL CONTAIN THE FOLLOWING AS A MINIMUM. DATE OF MANUFACTURE, SHELF LIFE EXPIRATION DATE AND STORAGE CONDITIONS TO ACHIEVE SHELF LIFE, IF NOT STATED ON NORMAL PACKAGE. SHIPMENTS WITH LESS THAN 70% REMAINING SHELF LIFE IS NOT ACCEPTABLE.	
GTC - 14	<b>FLOWDOWN OF REQUIREMENTS (DFARS 252.225.7014 AND PURCHASE ORDER)</b> WHEN REQUIRED BY CONTRACT OR PO, RAW MATERIAL OR ITEMS, WHICH CONTAIN "SPECIALTY METALS" (DEFINED AS CERTAIN STEEL AND OTHER ALLOYS, TITANIUM AND ZIRCONIUM) SHALL BE ACQUIRED FROM DOMESTIC OR QUALIFYING COUNTRY RESOURCES. ADDITIONAL FLOWDOWNS AS RELATED TO THE PURCHASE ORDER REQUIRMENTS, INCLUDING BUT NOT LIMITED TO PURCHASING DOCUMENTS AND KEY CHARACTERSTICS.	
GTC - 15	SUPPLIERS SHALL IMPLEMENT AND MAINTAIN A QUALITY MANAGEMENT SYSTEM IN COMPLIANCE WITH AS9100 OR ISO 9001 OR SIMILAR PROGRAM	
GTC - 16	INCOTEC SOURCE INSPECTION AND/ OR CUSTOMER VERIFICATION IS REQUIRED AT SUPPLIER FACILITY PRIOR TO SHIPMENT WHEN REQUESTED ON THE PURCHASE ORDER. INCOTEC WILL PLACE AN INSPECTION STAMPS ON THE SUPPLIER SHIPPER TO INDICATE INCOTEC ACCEPTANCE. CONTACT INCOTEC AT LEAST 48 HOURS PRIOR TO SHIPMENT FROM SUPPLIER FACILITY.	
GTC - 17	GOVERNMENT SOURCE INSPECTION IS REQUIRED AT SUPPLIER FACILITY PRIOR TO SHIPMENT WHEN REQUESTED ON THE PURCHASE ORDER. SUPPLIER SHALL CONTACT INCOTEC AND APPLICABLE GOVERNMENT REPRESENTATIVE TO ARRANGE FOR GOVERNMENT ACCEPTANCE PRIOR TO SHIPMENT FROM SUPPLIER FACILITY.	
GTC - 18	TESTING RECORDS AND CERTIFICATES SHALL BE PROVIDED WHEN REQUESTED ON THE PURCHASE ORDER. .	
GTC - 19	THE SUPPLIER SHALL PROVIDE AN INSPECTION REPORT (IR) IDENTIFYING ENGINEERING REQUIREMENTS AND ACTUALS. FORMAT WILL INCLUDE DESIGN CHARACTERISTICS INCLUDED IN AS9102 FAI DOCUMENTATION. USE OF SUPPLIER OR INCOTEC FORM IS ACCEPTABLE IF ALL AS9102 ELEMENTS ARE INCLUDED ON REPORT. ONE COPY OF THE IR SHALL BE FURNISHED TO INCOTEC REPRESENTING EACH MANUFACTURING LOT.	
GTC - 20	WHEN REQUESTED BY PURCHASE ORDER THE SUPPLIER SHALL PERFORM 100% INSPECTION OF THE INCOTEC NOTED CHARACTERISTICS, A RECORD OF THE INSPECTION RESULTS SHALL BE PROVIDED TO INCOTEC., SAMPLING INSPECTION IS NOT ALLOWED. UNLESS SPECIFIED BY INCOTEC OR ITS CUSTOMERS.	
GTC - 21	ANY RELATED REQUIREMENTS FOR PRODUCT APPROVAL OF PRODUT, PROCEDURE, PROCESSES AND EQUIPMENT AS STATED BY THE PURCHASE ORDER.	
GTC - 22	PRODUCT AND DOCUMENTS SHALL HAVE POSITIVE IDENTIFICATION RELATED TO THE PO SPECIFITIONS, DRAWINGS, PROCESS REQUIREMENTS, INSPECTION INSTRUCTIONS AND OTHER RELEVANT TECHNICAL DATA.	
GTC - 23	<b>FOD - IT IS THE RESPONSIBILITY OF THE SUPPLIER TO ASSURE THAT THE PRODUCT WHICH IS PROVIDED TO INCOTEC OR ITS CUSTOMER SHALL BE FREE OF ANY FOD RELATED TO THE PRODUCT AND THE PACKAGING.</b>	
GTC - 24	<b>ITAR - SHOULD THE PURCHASE ORDER INDICATE ITAR REQUIREMENTS, IT IS THE RESPONSIBILITY OF THE SUPPLIER TO ASSURE THAT THE REQUIREMENT IS COMPLIED TO BY THE VENDOR AND FLOWNDOWN TO ANY OF THE SUBTIER SUPPLIERS.</b>	
GTC - 25	<b>DFAR - SHOULD THE PURCHASE ORDER INDICATE DFAR REQUIREMENTS, IT IS THE RESPONSIBILITY OF THE SUPPLIER TO ASSURE THAT THE REQUIREMENT IS COMPLIED TO BY THE VENDOR AND FLOWNDOWN TO ANY OF THE SUBTIER SUPPLIERS.</b>	