

ABLE MANUFACTURING CO.LLC
TERMS AND CONDITIONS

- 1) **Quality System.** The subcontractor shall maintain an effective quality system in accordance with customer requirements. The system shall be documented and provide for: control and identification of material throughout the processing cycle, detection and control of non-conforming product, control of measuring and test equipment, and appropriate inspection and testing of product and process. The supplier shall retain, unless otherwise specified per PO, for a minimum of 10 years, records pertaining to the product and those records essential to the effective operation of the quality system.
- 2) **Warranty.** The supplier warrants Able, and their customers that at the time of delivery, product called for by this order will be free of defects in material and workmanship and will be suitable for the purposes intended whether expressed or reasonably implied.
- 3) **Inspection.** Product furnished by the supplier shall be inspected per the required specifications prior to delivery to Able. All product furnished under this order is also subject to the inspection and approval of Able.
- 4) **Access.** The supplier's facilities, contracted products, procedures and records shall be made accessible to Able, their customers and any applicable regulatory authorities in order to verify compliance with purchase order, product and system requirements. In addition, Able and/or their customer shall be afforded the opportunity to verify product at the supplier's facility (Source Inspection) when requested via the purchase order.
- 5) **Changes.** The supplier shall notify Able of any changes in product or process definition, and obtain prior approval when there is deviation from purchase order, facility location, product or process requirements. No substitutions of any nature will be allowed except by amendment to the purchase order. Product that is procured to a part number specification (AN,AS, MS, etc) shall not be substituted with an alternate part number without the prior written consent of Able and its customer.
- 6) **Non-conforming Product.** The supplier shall maintain a system for the identification, control and disposition of non-conforming product. The supplier is responsible to Able in order to arrange for the review and disposition of non-conforming material. Only upon written approval of acceptance from Able, may non-conforming product be shipped. In this case, the non-conforming product shall be clearly identified and shipped separately from other product. Able reserves the right to return to the supplier product defective in material or workmanship or otherwise not in conformity with the requirements of the purchase order. Any costs incurred by Able and/or their customer associated with non-conforming product that is directly attributable to the supplier shall be the liability of the supplier.
- 7) **Flow down.** Able requirements as specified in this purchase order shall also be applicable to any sub-tier suppliers utilized in the production of this order. This includes a requirement to use only those sources approved and authorized by Able and/or its customers when specified. The supplier shall maintain a system that ensures that requirements are transmitted to the appropriate purchasing documents to appropriately flow-down quality and product requirements to the sub-tier supplier.
- 8) **Delivery and Price.** It shall be the responsibility of the supplier to adhere to the time of delivery as specified in the purchase order. This order must not be filled at a higher price than last charged or quoted without advance notice to Able. Able shall not be obligated to pay for over shipments made by the supplier.
- 9) **C of C.** A certification of conformance (C of C) is required for each shipment of products or services covered by this purchase order. The C of C shall be signed by an appropriate quality representative and shall state that the materials, processes and product meet the applicable specifications indicated on the purchase order. The C of C must denote: Able purchase order and part numbers, serial numbers, Government contract numbers, and Nadcap certification numbers, when applicable. All Drawing and Purchase Order required specifications shall be to the latest revision.
- 10) **Shelf Life.** Certification for age sensitive material on this purchase order shall include: actual shelf life of the material, date of manufacture and expiration date. No material with less than 80% of its usable shelf life will be accepted without written approval from Able.
- 11) **Material Certifications.** The supplier shall forward copies of the original mill certificates and test reports for all product produced to fulfill this order. If unavailable, the supplier shall provide reports from an independent approved laboratory source to ensure compliance with material specifications. This process shall be applied to both material purchased and provided by the supplier as well as Able-supplied material that is drop shipped to the supplier.
- 12) **Foreign Object Damage (FOD)** The supplier shall be responsible to ensure that parts shipped on this order do not contain foreign objects. Parts are to be free of any foreign objects that may cause Foreign Object Damage (FOD) in subsequent manufacturing operations or in the intended application.
- 13) **Document Control (ITAR)** Technical data provided by Able to the sub-tier for use in fulfillment of the order shall be controlled in compliance with all the requirements of the International Traffic in Arms Regulation (ITAR). All supplied documentation may not be issued to or shared with any entities other than the sub-tier. Special caution must be exercised to assure that document storage, destruction and disposal do not expose proprietary documentation to unauthorized individuals.