

PURCHASE ORDER (PO) TERMS AND CONDITIONS
Trans-Tec Ltd., 6320 Ridgemont St., Houston, TX 77087

1. ACCEPTANCE

- 1.1. The Purchase Order supersedes all prior offers and agreements concerning the subject matter and constitutes the entire agreement between the parties. Supplier's acknowledgment or commencement of performance shall constitute Supplier's unqualified acceptance of this Contract. Additional differing terms or conditions proposed by Supplier or included in Supplier's acknowledgement have no effect unless accepted in writing by Trans-Tec Machine, Ltd, hereinafter referred to as Trans-Tec.
- 1.2. It is the Supplier's responsibility to validate the latest revision of Trans-Tec Terms and Conditions at time of PO receipt.
- 1.3. Supplier acknowledges the importance and need to prevent the use of counterfeit parts and material.
- 1.4. Supplier shall ensure that relevant personnel are aware of: their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

2. QUALITY MANAGEMENT SYSTEM

- 2.1 Supplier acknowledges the need to maintain a quality management system, to assure conformance with requirements, and shall notify Trans-Tec when significant quality management system changes occur (including its scope, capabilities, location and relevant controls).
- 2.2 When applicable, Supplier shall use external providers, including process sources (e.g. special processes) designated or approved by Trans-Tec's customer.
- 2.3 The Supplier shall notify Trans-Tec of nonconforming processes, products, or services and obtain approval for their disposition, as described in Sections 5 and 9 (see below).
- 2.4 The Supplier shall prevent the use of counterfeit parts (see Section 1.3, above)
- 2.5 Supplier shall notify Trans-Tec of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain Trans-Tec's approval.
- 2.6 Supplier shall flow down to sub-tier providers applicable requirements including Trans-Tec customer requirements, as described in Section 13 (see below).
- 2.7 When requested, Supplier shall provide test specimens for design approval, inspection/verification, investigation, or auditing.
- 2.8 Supplier shall retain records, as described in section 7 (see below).

3. DELIVERY

- 3.1. Time is of the essence in Supplier's performance of its obligations. Supplier shall immediately notify Trans-Tec if Supplier's timely performance under the Purchase Order is delayed or is likely to be delayed. Trans-Tec's acceptance of Supplier's notice shall not constitute a waiver of any Supplier obligations.

4. SHIPPING & HANDLING

- 4.1. In the absence of any specific PO requirements, Supplier shall preserve, package, and handle products so as to protect product from loss or damage.
- 4.2. If Supplier receives damaged product or product in inadequate packaging, Supplier must notify Trans-Tec immediately.
- 4.3. Supplier must follow shipping instructions provided on Trans-Tec PO. Trans-Tec is not liable for rejected shipping charges if Supplier does not follow PO instructions.

4.4. Supplier accepts that payments of unauthorized shipping costs are the responsibility of the Supplier.

5. FURNISHED PROPERTY

5.1. Trans-Tec may provide to Supplier property owned by either Trans-Tec or its Customer. Unless previously authorized in writing by Trans-Tec, Furnished Property shall be used only for the performance of this Contract. Supplier shall promptly notify Trans-Tec of any loss or damage to Furnished Property while in Supplier's care, custody, or control.

6. CERTIFICATION REQUIREMENTS

6.1. For **PROCESS** PO's requiring certifications: The certification must include, at a minimum, the following items:

- 6.1.1. Part # and Revision.
- 6.1.2. Required specification including Revision (Type, Class, Grade, etc.).
- 6.1.3. Quantity processed (quantity acceptable / rejected if required).
- 6.1.4. Date processed.
- 6.1.5. Signature and printed name of authorized person attesting to the certification.
- 6.1.6. Certification on company letterhead / stationery.
- 6.1.7. Trans-Tec purchase order number.

6.2. For **RAW MATERIAL** PO's requiring certifications: The certification must include, at a minimum, the following items:

- 6.2.1. Material type (e.g. 1018, 4130, 6061, etc.), including condition (annealed, C4, D4, etc.).
- 6.2.2. Required specifications with revisions listed.
- 6.2.3. Material size.
- 6.2.4. Material heat number / lot number.
- 6.2.5. Country of Origin.
- 6.2.6. Signature, printed name, and title of authorized person attesting to the results of the certification.
- 6.2.7. Actual Chemical results when required.
- 6.2.8. Actual Physical results when required.
- 6.2.9. Grain size when required by specification.
- 6.2.10. Trans-Tec purchase order number.

6.3. Supplier accepts that a PO is not considered fulfilled until all required certifications are provided and that they meet the requirements as defined by the PO.

7. MAINTENANCE OF RECORDS

7.1. Unless otherwise specified, Supplier shall maintain complete and accurate processing records in accordance with good commercial practices for a minimum of seven (7) years from final payment of this Contract. Audit rights shall be available to Trans-Tec on all performance related reports and other records.

8. APPROVALS

8.1. Upon receipt of a PO, Supplier shall validate that their relevant approvals are in good standing. At any time during the life of the PO, Supplier shall notify Trans-Tec if their relevant approvals have been revoked, diminished, expired, or otherwise altered. Supplier will also ensure that all sub-tier Suppliers used to satisfy a Trans-Tec PO have approvals in good standing.

8.2. Relevant Approvals apply to the following categories:

- 8.2.1. PRIME CUSTOMER CONTROLLED PROCESSES
- 8.2.2. QUALITY MANAGEMENT SYSTEM (QMS)
- 8.2.3. PROCESS APPROVALS (I.e. NADCAP)
- 8.2.4. Other relevant approvals

9. NONCONFORMING PRODUCT

- 9.1. If Supplier suspects that nonconforming material may have been inadvertently shipped, Trans-Tec must be immediately notified. If prior notice is received, arrangements may be made to manage defective material.
- 9.2. Trans-Tec's acceptance of product documents shall not relieve Supplier from complying with any requirements of this Contract.
- 9.3. Trans-Tec may reject any work or material which does not conform to the PO requirements.

10. PRODUCT/PROCESS CHANGES

- 10.1. Supplier must notify Trans-Tec of any changes in product and/or process definition [including changes of their external providers or location of manufacture](#), and obtain Trans-Tec approval prior to processing.

11. RIGHT OF ACCESS

- 11.1. Supplier shall guarantee right of access to their facilities and applicable records [at any level of the supply chain](#); to regulatory agencies, Trans-Tec customers, and Trans-Tec.

12. FOREIGN OBJECT DEBRIS (FOD)

- 12.1. Supplier shall maintain an active FOD program to make employees aware of what FOD is and the consequences of not removing FOD from production parts.

13. SUB-TIER FLOW DOWN

- 13.1. Supplier shall flow down to sub-tier Suppliers all applicable requirements in the purchasing documents, including key characteristics where required.

14. DOCUMENT CORRECTIONS

- 14.1. Corrections to quality records must be recorded, dated and signed in ink or other permanent marking method with the original data being legible. Use of white out and correction tape is prohibited.

15. INFORMATION DISCLOSED TO SUPPLIER

- 15.1. Supplier shall keep confidential all information, drawings, specifications, or data either furnished by Trans-Tec or prepared by Supplier specifically in connection with the performance of this PO.
- 15.2. Supplier shall not disclose such information, drawings, specifications or data except to those of its officers, employees (including independent contractors, contract labor employees and leased employees), third party vendors or subsidiaries who have a "need-to-know" the information, drawings, specifications or data for the purposes of performance under this PO, and of this provision. This provision shall not apply to information after its entry into the public domain by means other than as a result of a breach of this provision, nor shall it limit any rights the Government may have in such information.

16. EXPORT OF TECHNICAL DATA

- 16.1. Information provided by Trans-Tec that is categorized on either
 - (i) the United States Munitions List and, as such, is subject to the International Traffic in Arms Regulations (ITAR, 22CFR 120-130), and/or
 - (ii) the Commerce Control List and, as such, is subject to the Export Administration Regulations (EAR, 15CFR 730-799). Technical data that is controlled by the ITAR or the EAR may not be given to foreign persons (including foreign corporations) by a U.S. person unless and until the U.S. person has obtained the appropriate export license and/or approvals from the U.S. Government.

16.2. Accordingly, Supplier certifies that:

- 1) Supplier is a "U.S. Person" as defined in the ITAR to whom such technical data may be disclosed or that supplier possesses the appropriate licenses and/or approvals from the U.S. Government to receive the Trans-Tec-furnished technical data under this PO, and further,
- 2) Supplier shall not transfer such technical data directly or indirectly to any third person or firm, country or countries unless in compliance with all applicable laws and regulations and having obtained specific written authorization from Trans-Tec in advance to effect such a transfer.

16.3. Supplier agrees that it will not permit any employee access to furnished technical data nor permit any employee to perform services under this PO unless such employee qualifies as a "U.S. person," defined as: (i) a U.S. citizen or national; (ii) an alien lawfully admitted for permanent resident (those possessing a valid Form I-550 or "green card"); an alien admitted following a 1986 amnesty statute; (iv) an asylee or refugee as defined in 8 U.S.C. 1324b(a)(3); or (v) an alien lawfully admitted for temporary agricultural employment.

16.4. The acquisition of any rights in any technical data by Supplier or by a foreign person is prohibited.

17. ENFORCEMENT

17.1. Failure by Trans-Tec to enforce any provision(s) of these terms shall not be construed as a waiver of the requirement(s) of such provision(s), or as a waiver of the right of Trans-Tec thereafter to enforce each and every such provision(s).

Note: Most recent revisions [are shown in BLUE](#).