



# PURCHASE ORDER TERMS AND CONDITIONS

WI-PUR-01

THE FOLLOWING GENERAL TERMS AND CONDITIONS (GTC) APPLY TO ALL 5H SHEET METAL FABRICATION, INC. PURCHASE ORDERS AND CONTRACTS, UNLESS OTHERWISE SPECIFICALLY STATED WITHIN THE 5H PURCHASE ORDER. IT IS THE RESPONSIBILITY OF THE SUPPLIER TO CAREFULLY REVIEW THE PURCHASE ORDER FOR THE APPLICABLE GTC CLAUSES AND TO CONTACT 5H, PRIOR TO ACCEPTANCE, WHERE CONTRACT REQUIREMENTS CANNOT BE PERFORMED BY THE SUPPLIER.

WHEN USED IN VARIOUS PLACES IN THIS DOCUMENT THE TERM "5H" SHALL BE INTENDED TO DESCRIBE THE BUSINESS ENTITY "5H SHEET METAL FABRICATION, INC." AT VARIOUS PLACES IN THIS DOCUMENT THE TERMS "SUBCONTRACTOR" AND "SUBTIER SUPPLIER" MAY BE USED INTERCHANGEABLY.

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GTC - 1	<p><b>RIGHT OF ACCESS</b> HEREBY GIVES REPRESENTATIVES OF 5H, 5H'S CUSTOMER AND ANY RELATED REGULATORY AGENCY, AUTHORITIES TO THE APPLICABLE AREAS OF FACILITIES AND TO APPLICABLE DOCUMENTED INFORMATION, AT ANY LEVEL OF THE SUPPLY CHAIN; THESE AUDITS/INSPECTIONS ARE PERFORMED TO VERIFY THAT THE PRODUCT/SERVICE PROCURED CONFORMS TO PURCHASE ORDER REQUIREMENTS AND MAY INCLUDE RECORDS, PROCESS AND ROUTING SHEETS, CONTRACTED AND NONCONFORMING PRODUCT, SUPPLIER MATERIAL AND MANUFACTURING, TEST AND INSPECTION FACILITIES. ALL AUDITS/INSPECTIONS SHALL BE PERFORMED IN SUCH A MANNER AS TO NOT UNDULY DELAY THE WORK OF THE SUPPLIER. THE SUPPLIER SHALL PROVIDE ALL REASONABLE FACILITIES AND ASSISTANCE FOR THE SAFETY AND CONVENIENCE OF SAID REPRESENTATIVES IN THE PERFORMANCE OF THEIR DUTIES.</p> <p>ANY AUDIT/INSPECTION MADE ON THE PREMISES OF THE SUPPLIER OR SUPPLIER'S SUBCONTRACTOR SHALL BE WITHOUT ADDITIONAL CHARGE TO 5H.</p> <p>WHERE A SUBCONTRACTOR IS USED FOR MATERIALS AND/OR SERVICES INCORPORATED INTO THE CONTRACTED PRODUCT, THE SUPPLIER SHALL SPECIFY IN THEIR PURCHASING DOCUMENTS SAID "RIGHT OF ENTRY" TO SUBCONTRACTOR'S FACILITY.</p> <p>PROPRIETARY SUPPLIER PROCESSES MAY BE EXEMPT FROM THIS CLAUSE IF NEGOTIATED IN ADVANCE WITH 5H.</p>
GTC - 2	<p><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 OF THE APPLICABLE 5H TERMS AND CONDITIONS BY THE SUPPLIER.</p>
GTC - 3	<p><b>AMENDMENTS</b> TO THIS ORDER OR TO 5H TERMS AND CONDITIONS SHALL BE SET FORTH IN WRITING, VIA PURCHASE ORDER CHANGE NOTICE, AND/OR REVISIONS TO THE PURCHASE ORDER TERMS AND CONDITIONS. 5H 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).</p>
GTC - 4	<p><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 5H INSTRUCTIONS REGARDING METHOD OF SHIPMENT, EXCEPT WHERE 5H HAS SO STATED ON THE FACE OF THE ORDER.</p>
GTC - 5	<p><b>SCHEDULE</b> FOR DELIVERY WILL BE THE RESPONSIBILITY OF THE SUPPLIER. THE SUPPLIER SHALL NOT BE HELD LIABLE FOR DAMAGES IN RESPECT TO DELAYS IN DELIVERY 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, 5H MAY APPROVE A REVISED DELIVERY SCHEDULE, OR TERMINATE THE ORDER WITHOUT LIABILITY FOR SUCH TERMINATION.</p>
GTC-6	<p><b>HAZARDOUS MATERIAL</b> SUPPLIER AGREES TO FURNISH THE APPLICABLE MATERIAL SAFETY DATA SHEET(S) (MSDS) WITH EACH SHIPMENT, FOR PRODUCTS DESIGNATED BY INDUSTRY, STATE, OR FEDERAL AGENCIES AS HAZARDOUS MATERIAL.</p>
GTC - 7	<p><b>PACKAGING AND PROTECTION</b> OF THE PRODUCT SHIPPED SHALL BE IN ACCORDANCE WITH THE 5H PURCHASE ORDER OR BEST COMMERCIAL PRACTICE TO PROTECT PRODUCT FROM DAMAGE AND/OR DETERIORATION.</p>
GTC - 8	<p><b>CHANGE NOTIFICATION</b> WHERE APPROPRIATE, SUPPLIER SHALL NOTIFY 5H OF CHANGES TO PROCESSES, PRODUCTS, OR SERVICES, INCLUDING CHANGES OF THEIR EXTERNAL PROVIDERS OR LOCATION OF MANUFACTURE, AND OBTAIN THE ORGANIZATION'S APPROVAL; <b>CANCELLATION</b> SHALL REMAIN THE RIGHT OF 5H AND MAY BE INITIATED AT ANY TIME.</p>
GTC - 9	<p><b>TEST SPECIMENS</b> SHALL BE REQUIRED WHEN THERE IS A DESIGN APPROVAL FROM 5H CUSTOMER, INSPECTION, INVESTIGATION OR AUDIT.</p>
GTC - 10	<p><b>TOOLING</b> FURNISHED BY 5H 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 5H BUYER IN WRITING. 5H SHALL DISPOSITION DAMAGED TOOLING PRIOR TO FURTHER PROCESSING BY THE SUPPLIER. SUPPLIER REWORK OF 5H FURNISHED TOOLING SHALL BE AUTHORIZED IN WRITING.</p>
GTC - 11	<p><b>QUALITY ASSURANCE</b> THE SUPPLIER SHALL COMPLY WITH THE 5H QUALITY SYSTEM REQUIREMENTS AS SPECIFIED BY THE 5H SUPPLIER SURVEY OR PURCHASE ORDER. SUPPLIER AGREES TO IMPLEMENT AND MAINTAIN THE QUALITY OR INSPECTION SYSTEM DURING THE PERFORMANCE OF THIS CONTRACT.</p> <p>EXTERNAL PROVIDERS PRODUCT &amp; SERVICE CONFORMITY AND ON-TIME DELIVERY ARE MEASURED. <b>MINIMUM PERFORMANCE REQUIREMENTS</b> ARE ≥ 95%. APPROPRIATE ACTION SHALL BE TAKEN IF PLANNED RESULTS ARE NOT, OR WILL NOT BE, ACHIEVED.</p> <p><b>CERTIFICATE OF CONFORMANCE</b> AN AUTHORIZED CERTIFICATE OF CONFORMANCE IS REQUIRED WITH EACH SHIPMENT. PROCESS SUPPLIERS SHALL FURNISH A COMPLETE CERTIFICATE OF CONFORMANCE STATING THAT THE ITEM(S) FURNISHED MEET ALL APPLICABLE PURCHASE ORDER, DRAWING, AND SPECIFICATION REQUIREMENTS. THIS CERTIFICATE SHALL INCLUDE, AT A MINIMUM, THE 5H PURCHASE ORDER NUMBER, MATERIAL DESCRIPTION AND/OR SPECIFICATION, REVISION LEVEL, LOT QUANTITY, PART SERIAL NUMBERS, QUANTITIES ACCEPTED/ REJECTED AND THE DATE AND SIGNATURE/STAMP OF AN AUTHORIZED QUALITY REPRESENTATIVE OF THE SUPPLIER. 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).</p> <p><b>TRACEABILITY</b> THE SUPPLIER SHALL MAINTAIN PRODUCT TRACEABILITY FROM THE RECEIPT OF MATERIAL THROUGH FINISHED PRODUCT/SERVICE AND SHIPMENT. RECORDS OF MATERIAL AND/OR PROCESSES MUST INCLUDE PRODUCT SERIAL NUMBERS OR, WHERE APPLICABLE, HEAT AND LOT NUMBERS.</p> <p><b>RECORD RETENTION</b> SUPPLIER SHALL RETAIN DOCUMENTED INFORMATION FOR A MINIMUM OF 10 YEARS OR AS REQUIRED BY THE 5H CUSTOMER, CHANGES TO THIS REQUIREMENT SHALL BE ADDRESSED ON THE PURCHASE ORDER. NOTIFY 5H PRIOR TO DISPOSITION. ADDITIONAL 5H QUALITY REQUIREMENTS (GTC CLAUSES) APPLY WHEN REFERENCED BY 5H PURCHASE ORDER.</p> <p><b>LATEST REVISIONS OF STANDARDS AND SPECIFICATIONS</b> UNLESS OTHERWISE SPECIFIED BY PURCHASE ORDER, THE SUPPLIER SHALL FURNISH AND CERTIFY MATERIAL AND/OR PROCESSES TO THE LATEST REVISION OF APPLICABLE STANDARDS AND SPECIFICATIONS. THIS CLAUSE APPLIES TO GOVERNMENT, COMMERCIAL, AND CUSTOMER SPECIFICATIONS AS REQUIRED BY THE 5H PURCHASE ORDER. SUPPLIERS SHALL CONTACT 5H TO VERIFY THE LATEST REVISIONS OF CUSTOMER SPECIFICATIONS AS REQUIRED.</p> <p><b>AWARENESS:</b> ENSURING THAT PERSONS ARE AWARE OF: THEIR CONTRIBUTION TO PRODUCT OR SERVICE CONFORMITY; THEIR CONTRIBUTION TO PRODUCT SAFETY; AND THE IMPORTANCE OF ETHICAL BEHAVIOR.</p>
GTC -12	<p><b>NONCONFORMANCES</b> IT IS THE RESPONSIBILITY OF THE SUPPLIER TO NOTIFY 5H WHEN A SUPPLIER IDENTIFIES NONCONFORMING PRODUCT PROCESSES, PRODUCTS, OR SERVICES AND OBTAIN APPROVAL FOR THEIR DISPOSITION. SUCH COMMUNICATION SHALL BE PERFORMED IMMEDIATELY FROM THE TIME OF DISCOVERY BY THE SUPPLIER. THE SUPPLIER SHALL HOLD THE NONCONFORMING PRODUCT UNTIL 5H SENDS A DISPOSITION. THE SUPPLIER MUST INFORM 5H OF NONCONFORMING PRODUCT PRIOR TO SHIPMENT TO 5H.</p> <p>TO PREVENT THE DELIVERY OF <b>COUNTERFEIT PARTS</b> AND CONTROL PARTS IDENTIFIED AS COUNTERFEIT.</p>
GTC- 13	<p><b>AGE SENSITIVE MATERIAL</b> CERTIFICATES OF CONFORMANCE FOR AGE SENSITIVE MATERIALS SHALL CONTAIN THE FOLLOWING AT 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 80% REMAINING SHELF LIFE ARE NOT ACCEPTABLE.</p>



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GTC - 14	<p><b>FLOWDOWN OF REQUIREMENTS (DFARS 252.225.7014 AND PURCHASE ORDER)</b> WHEN REQUIRED BY CONTRACT OR PURCHASE ORDER, 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 5H PURCHASE ORDER REQUIREMENTS, INCLUDING BUT NOT LIMITED TO PURCHASING DOCUMENTS AND KEY CHARACTERISTICS, SHALL BE INCLUDED IN ALL APPLICABLE SUPPLIER PURCHASE ORDERS/CONTRACTS TO SUBTIER SUPPLIERS.</p> <p><b>EXTERNAL DOCUMENT CONTROL</b> THE SUPPLIER IS RESPONSIBLE FOR, AND SHALL ASSURE, THAT ALL DRAWINGS AND DATA TRANSFERRED (CUSTOMER OR 5H) BETWEEN THEIR COMPANY DIVISIONS AND ALL SUBTIER SUPPLIERS WILL BE IN COMPLIANCE TO THE APPLICABLE 5H AND/OR CUSTOMER CONTRACT AGREEMENTS. UPON COMPLETION OF PURCHASE ORDER THE SUPPLIER SHALL RETURN TO 5H ANY "EXTERNAL DOCUMENTS", SUCH AS DRAWINGS AND PARTS LISTS, THAT WERE FURNISHED TO THE SUPPLIER BY 5H IN SUPPORT OF THE ORDER.</p>
GTC- 15	SUPPLIERS SHALL IMPLEMENT AND MAINTAIN A QUALITY MANAGEMENT SYSTEM IN COMPLIANCE WITH AS9100 OR ISO 9001 OR SIMILAR PROGRAM.
GTC-16	5H SOURCE INSPECTION AND/ OR CUSTOMER VERIFICATION IS REQUIRED AT SUPPLIER FACILITY PRIOR TO SHIPMENT WHEN REQUESTED ON THE PURCHASE ORDER. 5H WILL PLACE AN INSPECTION STAMP ON THE SUPPLIER SHIPPER TO INDICATE 5H ACCEPTANCE. CONTACT 5H 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 5H 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	WHEN REQUESTED BY PURCHASE ORDER 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 5H FORM IS ACCEPTABLE IF ALL AS9102 ELEMENTS ARE INCLUDED ON REPORT. ONE COPY OF THE IR SHALL BE FURNISHED TO 5H REPRESENTING EACH PROCESSED LOT.
GTC-20	WHEN REQUESTED BY PURCHASE ORDER THE SUPPLIER SHALL PERFORM 100% INSPECTION OF THE 5H NOTED CHARACTERISTICS. A RECORD OF THE INSPECTION RESULTS SHALL BE PROVIDED TO 5H. SAMPLING INSPECTION IS NOT ALLOWED UNLESS SPECIFIED BY 5H OR ITS CUSTOMERS.
GTC-21	ANY RELATED REQUIREMENTS FOR APPROVAL OF PRODUCT, PROCEDURE, PROCESSES AND EQUIPMENT AS STATED BY THE PURCHASE ORDER FLOW DOWN TO EXTERNAL PROVIDERS APPLICABLE REQUIREMENTS INCLUDING CUSTOMER REQUIREMENTS.
GTC-22	PRODUCT AND DOCUMENTS SHALL HAVE POSITIVE IDENTIFICATION RELATED TO THE PURCHASE ORDER SPECIFICATIONS, DRAWINGS, PROCESS REQUIREMENTS, INSPECTION INSTRUCTIONS AND OTHER RELEVANT TECHNICAL DATA.
GTC- 23	<b>FOREIGN OBJECT DAMAGE (FOD) PREVENTION</b> THE SUPPLIER IS REQUIRED TO ESTABLISH AND MAINTAIN A FOD PREVENTION PROGRAM IN COMPLIANCE WITH AS/EN/SJAC 9146 FOREIGN OBJECT DAMAGE (FOD) PREVENTION PROGRAM - REQUIREMENTS FOR AVIATION, SPACE, AND DEFENSE ORGANIZATIONS. ALL ENTRY POINTS, ON MECHANICAL AND ELECTRICAL PARTS/ASSEMBLIES SHALL BE PROTECTED FROM FOD, BY USE OF CAPS OR PLUGS.
GTC- 24	<b>ENVIRONMENT HEALTH AND SAFETY</b> THE SUPPLIER ACKNOWLEDGES AND ACCEPTS FULL AND SOLE RESPONSIBILITY TO MAINTAIN AN ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEM ("EMS") APPROPRIATE FOR ITS ORGANIZATION THROUGHOUT THE PERFORMANCE OF THIS CONTRACT. THE EXPECTATION IS THAT THE SUPPLIER'S EMS WILL PROMOTE HEALTH AND SAFETY, ENVIRONMENT STEWARDSHIP, AND POLLUTION PREVENTION BY APPROPRIATE SOURCE REDUCTION STRATEGIES. THE SUPPLIER SHALL FLOW-DOWN THESE REQUIREMENTS TO SUB-TIER SUPPLIERS.