

## **PURCHASE ORDER "P- CLAUSES"**

ONE OR MORE OF THE FOLLOWING CLAUSES CAN BE INCORPORATED HEREIN BY REFERENCE ON THE FACE OF THE PURCHASE ORDER(P.O.) OR PROMULGATED BY THE COGNIZANT SHINMAYWA PROCUREMENT REPRESENTATIVE

### **P-1. NOTICE OF ANTICIPATED DELAY IN DELIVERY:**

Seller shall promptly notify Buyer at any time during the performance of this purchase order that Seller expects that it will not be able to deliver the item(s), being procured here under, in accordance with the delivery schedule as set forth herein, regardless of the reason for the anticipated delay in delivery.

### **P-2. NO COST TERMINATION:**

In consideration of Buyer having released Seller from obligation to perform or deliver under the terminated portion of this purchase order, and in further consideration of Seller retaining all inventory allowable thereto, including, but not limited to raw stock, purchase parts, and work in process, but exclusive of tools and/or material furnished by Buyer, if any, Seller hereby releases Buyer from any claims or demands resulting from said termination.

### **P-3. HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA :**

The Seller agrees to submit a Material Safety Data Sheet (Department of Labor Form ASH-20), as prescribed in Federal Standard No. 313A 29 CFR 1910.1200, HAZARD COMMUNICATION STANDARD, AND STATE OF CALIFORNIA ADMINISTRATIVE CODE, TITLE 8, SECTION 5194, for all hazardous material 5 days before delivery of the materials whether or not listed in Appendix A of the Standard. This obligation applies to all materials delivered under this purchase order which will involve exposure to hazardous materials or items containing these materials. Seller agrees to identify all hazardous materials and label each container of hazardous material in accordance with Federal Standard 29 CFR 1910.1200, Hazard Communication Standard, and State of California Administrative Code, Title 8, Section 5194. Seller shall forward, five (5) days before delivery, one copy of the Material Safety Data Sheet (MSDS) to the Seller. Seller shall forward an updated Material Safety Data Sheet (MSDS) when formulation changes significantly in composition from the original material. Seller shall include a copy of the Material Safety Data Sheet (MSDS) with each shipment of material. The Seller shall comply with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits in connection with hazardous material.

### **P-4. OFFLOAD AND SUBCONTRACT PAINTING OPERATIONS:**

Seller must comply with all local air quality district regulations, if they exist. Use of coatings that violate these regulations is strictly forbidden. If the coating(s) specified in this purchase order violates you district regulations, you must notify the Buyer Immediately.

### **P-5. BUYER'S RESIDENT OFFICE:**

The Buyer may elect, at its sole discretion and at any time during the performance period of this purchase order, to establish a Buyer's Resident Office (hereinafter referred to as "BRO") at the Seller's facility on either a full time or part time, or periodic visit basis, as program needs dictate, staffed as appropriate to meet mutual program objectives. The function of the BRO shall be to facilitate coordination and communication between the Buyer and the Seller, monitoring the Seller's progress, and assisting in initiating correct action measures as require to effect the successful discharge of the requirements of the purchase order. The BRO personnel shall have access to all levels of Seller's management and manufacturing areas on a noninterference basis, to permit adequate liaison, coordination, progress visibility and evaluation, and initiation of corrective action as necessary. The BRO shall not have authority to authorize changes shall be effected as provided under the Changes clause of this purchase order, exclusively, by the cognizant representative of Buyer' Procurement Department.

### **P-6. COMPLIANCE WITH INTERNATIONAL TRAFFIC IN ARMS REGULATION (ITAR) AND EXPORT ADMINISTRATION REGULATION (EAR) REQUIREMENTS:**

Seller is hereby placed on notice than any technical data furnished with this purchase order may relate to articles which appear on the Munitions List of the Office of Munitions Control (OMC), U.S. Department of State or the Commodity Control List of the Bureau of Export Administration, U.S. Department of Commerce and may therefore be subject to export licensing requirements and limitations on disclosure to foreign nationals. Federal criminal and civil penalties may result from any violation of these provisions.

## **P-7. Quality Requirements,**

- SCTC 1      RIGHT OF ENTRY.  
THE BUYER AND BUYERS CUSTOMER, AND THEIR CUSTOMERS, OR ANY APPLICABLE REGULATORY AGENCY WILL HAVE THE RIGHT TO ENTER THE SELLERS FACILITY TO PERFORM INSPECTION OR ENSURE COMPLIANCE TO THE CONTRACT.
- SCTC 2      ACCEPTANCE 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 SELLER.
- SCTC 3      AMENDMENTS TO THIS ORDER, OR SCL TERMS AND CONDITIONS SHALL BE SET FORTH IN WRITING, VIA PURCHASE ORDER CHANGE NOTICE, AND /OR REVISIONS TO THE PURCHASE ORDER TERMS AND CONDITIONS. SCL WILL CONSIDER SELLERS 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).
- SCTC 4      PRICE AS STATED ON THIS ORDER COVERS ALL GOODS AND SERVICES TO BE PROVIDED BY THE SELLER AS SPECIFIED IN THE ORDER. THESE PRICES ALSO COVER ALL CHARGES FOR PACKAGING, CONTAINERS, AND TRANSPORTATION, UNLESS SPECIFICALLY DEPICTED OTHERWISE ON THE FACE OF THE ORDER
- SCTC 5      SHIPMENT OF GOODS AND SERVICES UNDER THIS ORDER SHALL BE F.O.B AS SET FORTH ON THE FACE OF THE ORDER. SELLER SHALL FOLLOW BUYERS INSTRUCTIONS REGARDING METHOD OF SHIPMENT, EXCEPT WHERE BUYER HAS SO STATED ON THE FACE OF THE ORDER.
- SCTC 6      SCHEDULE FOR DELIVERY WILL BE THE RESPONSIBILITY OF THE SELLER. THE SELLER SHALL NOT BE HELD LIABLE FOR DAMAGES IN RESPECT TO DELIVERY DELAY DUE TO CAUSES BEYOND SELLERS REASONABLE CONTROL. HOWEVER, IF THE SELLER 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.
- SCTC 7      HAZARDOUS MATERIAL SELLER 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.
- SCTC 8      PACKAGING AND PROTECTION OF THE PRODUCT SHIPPED SHALL BE IN ACCORDANCE WITH THE SCL. PO OR BEST COMMERCIAL PRACTICE TO PROTECT PRODUCT FROM DAMAGE, DETERIORATION OR CONTACT WITH F.O.D.(FOREIGN OBJECT DEBRIS/DAMAGE).
- SCTC 9      CANCELLATION SHALL REMAIN THE RIGHT OF THE BUYER AND MAY BE INITIATED AT ANY TIME.
- SCTC 10      TOOLING FURNISHED BY SCL SHALL BE MAINTAINED INDOORS, THE SELLER 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 SELLER SHALL BE REPORTED TO THE SCL. BUYER IN WRITING. SCL. SHALL DISPOSITION DAMAGED TOOLING PRIOR TO FURTHER PROCESSING BY THE SELLER. SELLER REWORK OF SCL FURNISHED TOOLING SHALL BE PRE-AUTHORIZED IN WRITING.
- SCTC 11      QUALITY ASSURANCE. The supplier shall comply with the SCL Quality System requirements as specified by the SCL Supplier Survey or purchase order. Supplier agrees to implement and maintain the Quality or Inspection System during the performance of this contract.

Any SCL material furnished to the supplier shall be lot controlled while in the possession of the supplier and no substitution may occur. By acceptance of the purchase order the supplier agrees to furnish Corrective Action in response to a material rejection by either SCL. or SCL's customers. Suppliers further agree to notify buyer of change of facilities or changes in Quality Organization management. The supplier further agrees to Flow down SCL and/or SCL customers' requirements to sub tier suppliers.

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.  
The supplier is not authorized to perform Material Review action of nonconforming material. Supplier shall notify

SCL quality department of any of the following occurrences:

- Nonconforming product
- Notification of changes in product, process or suppliers
- Notification of offload

Quality system requirements at a minimum is to have an ISO 9001:2015 compliant system unless otherwise noted in the purchase order.

- SCTC 12      NONCONFORMANCES Upon acceptance of a SCL purchase order, the supplier agrees that SCL is entitled to reimbursement of SCL labor and material costs associated with seller responsible nonconformances and damages.
- SCTC 13      FOD The Supplier shall have a documented FOD Control Program in place for the purpose of prevention, detection, and removal of foreign objects. The Supplier is responsible to ensure that SCL receives clean, undamaged, and contamination-free product.
- SCTC 14      COUNTERFEIT PARTS SCL is committed to providing the safest, most reliable machined parts and sub-standard and unreliable parts present a serious threat to our reputation and ultimately to our customers. SCL requires that its supplier take steps in identifying and eliminating risks associated with sub-standard and counterfeit parts. Counterfeit parts are defined as a suspect part that is a copy or substitute without legal right or authority to do so or one whose material, performance, or characteristics are knowingly misrepresented by a supplier in the supply chain.
- SCTC 15      AWARNESS The supplier shall have an awareness policy that ensures personnel performing activities on SCL orders and products are aware of their role in producing the service order activity, understand the importance of product and personnel safety, and know the importance of ethical behavior.
- SCTC 16      SUB-TIER REORD RETENTION The supplier shall keep and maintain all records associated with this purchase order for a minimum of ten (10) years after shipping unless otherwise noted on the SCL purchase order.
- SCTC 17      SUB-TIER FLOW DOWN The supplier shall flow down all applicable requirements to their sub-tier vendors and suppliers.