

SUNBELT QUALITY MANAGEMENT SYSTEM

SUPPLIER PURCHASE ORDER TERMS & CONDITIONS

1. DEFINITIONS

The following terms shall have the meanings set forth below:

- a) "SUNBELT" means the legal entity SUNBELT DESIGN & DEVELOPMENT INC as identified on the face of this Purchase Order.
- b) "Customer" means the entity with whom SUNBELT has a contractual relationship to provide services or goods that utilize or incorporate the Work. "Customer" shall include both any higher tier contractor(s) and the U.S. Government.
- c) "FAR" means the Federal Acquisition Regulations, issued as Chapter 1 of Title 48, Code of Federal Regulations (CFR).
- d) "PO" or "Purchase Order" or "Order" shall mean the contractual procurement instrument.
- e) "SELLER" means the party identified on the face of this Order with whom SUNBELT is contracting, including SELLER's agents, representatives, subcontractors, and suppliers at any tier.
- f) "Work" means all required deliverables, articles, materials, supplies, goods or services, constituting the subject matter of this Order.

2. ACCOMPANYING DOCUMENTATION REQUIREMENTS

Accompanying documentation is considered part of the Purchase Order, and payment will be delayed if required documentation is not provided;

- a) For raw materials Material Test Reports shall be provided that provide evidence the material meets the requirements of the order including any referenced specifications.
- b) Where SELLER is not the original manufacturer of the product (OEM) the SELLER shall provide evidence of traceability to original manufacturer's lot/heat/batch number.
- c) For fasteners and other hardware, a Certificate of Conformance shall be provided that states the product meets the requirements of the Purchase Order, and that records are maintained by the supplier and are available for review that provide evidence to support the certification.
- d) For outsourced processes a Certificate of Conformance shall be provided that states the items identified in the Purchase Order have been processed per the requirements of the Purchase Order, and that records are maintained by the supplier and are available for review that provide evidence to support the certification.
- e) For subcontracted parts, meaning parts built to Sunbelt supplied technical drawings, a Certificate of Conformance shall be provided that states the items identified in the Purchase Order have been fabricated per the requirements of the Purchase Order, and that records are maintained by the supplier and are available for review that provide evidence to support the certification.
- f) Certificates of Conformance shall be signed by an authorized individual with printed name, title and date.
- g) Certificates from suppliers of calibration services shall provide evidence of traceability to NIST standards.
- h) For any question on certification or documentation requirements please contact Sunbelt Quality Manager at 210-227-9162.

3. PRECEDENCE

Any inconsistencies in this Contract shall be resolved in accordance with the following descending order of precedence: (1) face of the Purchase Order; (2) these terms and conditions; and (3) any Sunbelt provided technical data (such as drawings or specifications).

4. TECHNICAL DATA

Where SUNBELT has provided technical data for the purpose of performing manufacturing operations or outsourced processes:

- a) The technical data shall be controlled and not disseminated outside of the supplier's organization, or used in any manner except for the performance of the Purchase Order for which it is supplied;
- b) The technical data shall be considered Export Controlled and not disseminated to any foreign person, company, or entity, in accordance with the Arms Export Control Act and pursuant to the International Traffic in Arms Regulations (ITAR) 22 CFR 120-130, Section 122.1;
- c) Violations of export laws are subject to severe criminal penalties.

5. GOVERNMENT REQUIREMENTS

The following Government Federal Acquisition Regulations are part of this Purchase Order, where applicable:

- 52.203-13 Code of Business Ethics and Conduct (Oct 2015)
- 52.203-17 Whistleblower Rights (Apr 2014)
- 52.204-17 Ownership or Control of Offeror (Jul 2016)
- 52.204-21 Basic Safeguarding of Contractor Information Systems (Jun 2016)
- 52.211-5 Material Requirements (Aug2000)
- 52.211-15 Defense Priority and Allocation Requirements (Apr 2008)
- 52.222-19 Child Labor - Cooperation with Authorities and Remedies (Oct 2016)
- 52.222-21 Prohibition of Segregated Facilities (Apr2015)
- 52.222-26 Equal Opportunity (Sep 2016)
- 52.225-35 Equal Opportunity for Veterans (Oct2015)
- 52.222-36 Equal opportunity for Workers with Disabilities (Jul 2014)
- 52.222-50 Combating Trafficking in Persons (Mar 2015)
- 52.222-54 Employment Eligibility Verification (Jul 2012)
- 52-223-3 Hazardous Material Identification and Material Safety Data (Jan 1997)
- 52.223-6 Drug Free Workplace (May 2001)
- 52.223-11 Ozone-Depleting Substances etc. (Jun2016)
- 52.223-18 Encouraging Contractor Policies to Ban Text Messaging while Driving (Aug 2011)
- 52.225-1 Buy American Act—Supplies (May 2014)
- 52.225-5 Trade Agreements (Oct 2016)
- 52.225-13 Restrictions on Certain Foreign Purchases (Jun 2008)
- 52.244-6 Subcontracts for Commercial Items (Dec 2010)
- 52.246-2 Inspection of Supplies - Fixed Price (Aug 1996)
- 52.246-16 Responsibility for Supplies (Apr 1984)
- 52.249-2 Termination for Convenience (Apr 2012)

6. SELLER RESPONSIBILITIES

Where appropriate to the Work (product or service) being ordered:

- a) SELLER shall notify SUNBELT within 15 days of discovery of any failure of the product or service to meet requirements, including those previously delivered or provided;
- b) SELLER shall request disposition instructions for non-conforming product;
- c) SELLER shall notify SUNBELT of any changes to the product or processes, change of suppliers, or change of manufacturing facility location that occur during the performance of this order;
- d) SELLER shall retain records providing evidence of product or process conformance, quality and traceability for a minimum of five years from the date of delivery, unless otherwise specified;
- e) SELLER shall allow SUNBELT and its customer the right of access to SELLERs facility for the purpose of source inspection of the product or service ordered;
- f) SELLER shall not ship product without SUNBELT approval if Customer or Government Source Inspection is specified in the Purchase Order;
- g) SELLER shall have a documented quality management system, suitable for the performance of the Work;
- h) SELLER shall comply with local environmental regulations;
- i) SELLER shall monitor their own performance for quality and delivery; and ensure that the persons performing the Work are aware of their contribution to product or service conformity; their contribution to product safety; and the importance of ethical behavior;
- j) SELLER shall flow down these requirements to its own subcontractors and suppliers, where applicable.