



SUPPLIER TERMS AND CONDITION

Doc: PUR-T&C

Updated: 01/28/2020



Acceptance of this purchase order indicates your agreement with the following terms and conditions. Additional requirements may be detailed on the purchase order or its referenced documents. All terms and conditions apply to purchases made by Controlled Thermal Technology, Inc. (CTT) and Technique Surfaces - West (TSW), which is referenced as CTT Inc. throughout this document.

RIGHT OF ENTRY. During the course of this contract, Supplier and their sub-tier suppliers will allow CTT Inc. personnel, their customers and regulatory authorities to enter and inspect its facilities and records involved with this order upon request, at any level of the supply chain. Suppliers shall retain all process and quality records relating to this order, including test reports and processing records, for a minimum of 11 years.

NON-CONFORMING MATERIAL/PRODUCT/PROCESS. Supplier will notify CTT Inc. of any non-conformity found in the purchased product or process within 24 hours of discovery of such non-conformity, regardless of whether it is prior, during, or after receipt of the product. Supplier must obtain approval for nonconforming product disposition. CTT Inc. or its customer shall have the right to approve or disapprove of any suspect or non-conforming product. No known non-conforming product shall be supplied to CTT Inc. without written authorization from CTT Inc.

When it is determined that the supplier is responsible for non-conforming product, a corrective action may be issued. Failure to respond within the specified time, supplier may be removed from the approved supplier registrar.

CHANGES TO PURCHASE ORDER SPECIFICATIONS. After its receipt of the order, Supplier will notify CTT Inc. of any changes to product or process specifications, and CTT Inc. will have the right to approve any such change or, alternatively, cancel or modify the order. CTT Inc. shall notify its customer immediately if there is any discrepancy between the requested revision level or specification and the current or provided revision level or specifications. Supplier shall notify CTT Inc. of any changes in product and/ or process definition or configuration and obtain prior approval from CTT Inc. prior to shipping product.

CERTIFICATIONS. Certificate of conformance are required for the following purchases: raw material (metal), processing product (salt and gas), processing services (fabrication and plating), and testing services (calibration and laboratory testing). For, all other purchases, certificate of conformance are optional unless indicated on the purchase order. CTT Inc. reserves the right to refuse delivery of any shipment without applicable certifications. Delivery will not be complete until appropriate certification is received. Supplier shall ensure that all products are inspected and validated using acceptable monitoring and measuring equipment prior to shipment. Supplier shall ensure that all tools used for final acceptance are calibrated to NIST standards or other known standards; and, equipment calibrations are to be current. Supplier supplying chemicals or other hazardous material are to provide SDS with shipment.

FLOW DOWN. Supplier will flow down to the supply chain information and requirements specified on this Purchase Order to sub-tier supplier, sub-contractors, etc. paying particular attention to key characteristics or requirements.

ITAR (MILITARY STATEMENT). Documents and data supplied by CTT Inc. may contain technical data within the definition of the International Traffic and Arms Regulations (ITAR) and is subject to the Export Control Laws of the U.S. Government. Transfer of this data by any means to a foreign person or foreign entity, whether in the United States or abroad, without an export license, ITAR exemption or other approval from the U.S. Department of State is prohibited.

FORCE MAJEURE. The obligations of both Supplier and CTT Inc. under this agreement are subject to any delays or cancellations caused by any condition or occurrence beyond the control of the performing party, including but not limited to strikes, fires, riots, wars, acts of God, inability to obtain materials or intervening government regulation.

AMENDMENT. No amendment of this agreement shall be effective unless it is in writing and signed by CTT Inc. and Supplier.

QUALITY SYSTEM REQUIREMENTS. Supplier is to maintain an AS9100 or equivalent compliant quality management system unless otherwise authorized when processing customer parts. For Suppliers providing



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material and services such as calibration or material testing that is supporting CTT Inc. processes, an ISO 9001 or equivalent quality management system is to be maintained unless otherwise agreed upon.

CALIBRATION SUPPLIER. Calibration or verification of monitoring and measurement is to be three (3) months for controllers and furnace related calibration or verification, six (6) months for tools such as calipers and micrometers, three (3) years for gage blocks, six (6) months for dew point analyzer, and twelve (12) months for all other monitoring and measuring equipment, unless otherwise stated. Calibration and verifications are to manufacturing specification or industry standards, unless otherwise stated. Calibration must be NIST traceable. ISO 17025 or equivalent quality management system is recommended for calibration service providers.

REVISION CONTROL: Where specification, drawings, etc. are identified use latest revision, unless otherwise specified.

RECORDS: Supplier shall maintain records for a minimum of 11 years, unless otherwise stated.

COUNTERFEIT PART AVOIDANCE: Product that is delivered under this Purchase Order that is to as agreed on and not be product misrepresented as having been designed and/or produced under an approved system or other acceptable method. The product or work, also, must not be altered misrepresented as acceptable. Seller agrees and shall ensure that Counterfeit Product or Work is not delivered to CTT Inc. Seller shall only purchase products to be delivered or incorporated as work or product to CTT Inc. directly from Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by CTT Inc. Seller shall immediately notify CTT Inc. with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit Work or Product. When requested by CTT Inc. or one of our customers, the SELLER shall provide OCM/OEM documentation authenticating traceability of affected items to the applicable OCM/OEM. Seller shall establish and maintain a Counterfeit Parts/Material Prevention and Control plan using AS-5553 and/or AS6174 to ensure that Counterfeit Work is not delivered to buyer. The purpose of Seller(s) plan shall be scoped in a developed robust process to prevent the delivery of counterfeit commodities and control commodities identified as counterfeit.

CONFLICT MATERIALS: CTT Inc. is committed to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act, which requires companies to disclose their use of Conflict Materials that originated in the Democratic Republic of the Congo (DRC) or adjoining countries. As of the date of this document, these materials include tantalum, tin, gold, and tungsten. To the best of our knowledge, none of CTT Inc. products contain any Conflict Materials.

FOREIGN OBJECT DETECTION: Supplier should maintain a FOD prevention process during their operation, inspection, and packing / shipping.

AWARENESS: Supplier must ensure that persons are aware of their contribution to product/service conformity, product safety, and the importance of ethical behavior.