

# TRUTRON CORPORATION

## PURCHASE ORDER GENERAL TERMS AND CONDITIONS

**1. ACCEPTANCE.** Buyer offers to purchase the goods and services described herein only upon the terms and conditions contained herein. Buyer reserves the right to revoke this Purchase Order without notice. This Purchase Order shall be deemed agreed to and accepted by the Seller and become a binding contract on the terms and conditions contained herein when (a) signed and returned to Buyer, or (b) Seller issues its oral or written acknowledgment, or (c) Seller commences performance, or (d) Seller otherwise accepts this order.

**2. ATTACHMENTS.** Documents designated by Buyer in the body of the Purchase Order, including supplemental terms and conditions, if any, are incorporated by reference the same as if set out in full herein.

**3. CHANGES.** Buyer reserves the right at any time to issue a written change order or amendment to the Purchase Order concerning any of the following: (a) specifications, drawings and data incorporated in the Purchase Order, (b) quantity, (c) methods of shipment or packaging, (d) place of delivery, (e) time of delivery, or (f) any other matter affecting this Purchase Order.

Any difference in price or delivery resulting from such changes shall be equitably adjusted. Any claim by Seller for such adjustment must be asserted within ten (10) days of the date of receipt by Seller of such change and be approved by the Buyer in writing. Buyer shall have the right to examine any of Seller's pertinent books and records for the purpose of verifying Seller's claim.

**4. DELIVERY.** Time is of the essence in the performance of this Purchase Order. Seller shall make deliveries in quantities and at the time specified by the Buyer. If at any time it appears that Seller will not make delivery as scheduled, Seller shall promptly notify the Buyer of the reasons for and the estimated duration of the delay.

Acceptance of late deliveries shall not be deemed a waiver of Buyer's right to hold the Seller liable for any loss or damage resulting therefrom, nor shall it act as a modification of the Seller's obligation to make shipments in accordance with the delivery schedule set forth in this Purchase Order.

Buyer shall have no liability for payment for items or services delivered in advance of the delivery specified or quantities made in excess of the amounts specified by the Buyer. Such items will be subject to rejection and return at the Seller's expense.

**5. WARRANTIES.** Seller hereby warrants that the items furnished hereunder shall be free from defects in material, workmanship and design; of merchantable quality and fit for Buyer's purposes and that they shall conform with Buyer's instructions, specifications, drawings and data. Seller further warrants that the items furnished hereunder shall conform to all representations, affirmations, promises, descriptions, samples or models forming the basis of this Purchase Order. Seller further warrants that all services performed for or on behalf of Buyer will be performed in a competent, workmanlike manner and shall be free from faults and defects. Seller agrees that these warranties shall survive any inspection, acceptance or payment by Buyer.

Seller warrants that goods or services covered by this Purchase Order shall not infringe any patent, design, mask work, copyright or trademark, of any third party, either directly or contributory. Seller agrees to indemnify Buyer and hold Buyer harmless from and against all liability, loss, damage and expense, including reasonable counsel fees and cost of litigation, resulting from any claim of infringement and any litigation relating thereto.

Seller's warranties shall survive the completion, cancellation or termination of this Purchase Order.

**6. TERMS OF PAYMENT.** The date of payment shall be computed from the later of the date when Buyer receives conforming items, a correct invoice, the required delivery date, or the date any applicable discrepancy is resolved.

**7. CANCELLATION.** Buyer shall have the right to cancel this Purchase Order if Seller fails to make reasonable progress towards completion of the Purchase Order at the times specified, if the Seller breaches any of the terms hereof including warranties of Seller, if Seller makes an arrangement, extension or assignment for the benefit of creditors, if Seller files or has filed against it a petition in bankruptcy for the reorganization, if Seller pursues any other remedy under any other law relating to the relief of debtors, if Seller dissolves or otherwise ceases to exist or liquidates all or substantially all of its assets, if Seller becomes insolvent or if Seller generally does not pay its debts as they become due.

**8. TERMINATION.** Buyer may terminate this Purchase Order for its convenience, in whole or in part, and without penalty at any time prior to shipment by written or electronic notice to Seller. Upon such termination notice Seller shall promptly comply with the directions contained in such notice and shall, as required, (a) take action necessary to terminate the work as provided in the notice, minimizing costs for the terminated work, and (b) continue the performance of any part of the work not terminated by Buyer and (c) take all action necessary to protect goods and materials in Seller's possession in which Buyer has an interest. Any claim resulting from termination must be submitted by Seller within thirty (30) days of termination notice and is subject to the approval of Buyer. Buyer shall have the right to examine any of the Seller's pertinent books and records for the purpose of verifying Seller's claim. Except as otherwise provided in this order, the provisions of this Article will not apply to any cancellation by Buyer for default by Seller or any other cause allowed by law or under this order.

**9. INSPECTION AND ACCEPTANCE.** Payment for any item or service under this Purchase Order shall not constitute acceptance thereof. All items or services purchased hereunder are subject to inspection at Buyer's destination either before or after payment or

before or after acceptance, at Buyer's option. Buyer may reject goods and services not in accordance with Buyer's instructions, specifications, drawings, data, or Seller's warranty (express or implied). Buyer shall be entitled to a full credit for items or services that are rejected and may make claim for damages, including manufacturing costs, damage to materials, or articles caused by improper processing, handling, packing and other special damages incurred by Buyer. Such rights shall be in addition to any other remedies provided by law.

Seller shall permit inspectors of the Buyer or Buyer's customers (including the United States government) to have access to the Seller's plant at all reasonable times for the purpose of inspecting and goods or services supplied hereunder.

**10. ASSIGNMENT.** Seller may not assign, transfer, or subcontract this Purchase Order or any right or obligation hereunder without Buyer's written consent.

**11. CONFIDENTIALITY.** Unless otherwise agreed by Buyer in writing, Seller shall keep confidential and not disclose to any third party, any confidential and/or proprietary information or material provided by Buyer to Seller in connection with Seller's performance under this Purchase Order or prepared by Seller specifically for Buyer pursuant to this Purchase Order, including but not limited to any drawings, masters, software, specifications, raw materials, components, data, business information or plans, customer lists or other customer information ("Confidential Information"). Seller shall use Confidential Information solely for Seller's performance of this Purchase Order for Buyer, and Seller shall not, without Buyer's written consent, directly or indirectly use Confidential information or information derived therefrom in performing services or providing goods for any other customer of Seller, or any other person or entity.

**12. SHIPPING.** All goods supplied hereunder shall be suitably packed, marked and shipped in accordance with Buyer's instruction, or absent such instructions, in accordance with the requirements of common carriers in a manner to secure lowest transportation cost. Packing slips, including Buyer's Purchase Order Number, shall accompany each shipment.

**13. INDEMNIFICATION.** Seller agrees to indemnify, defend, and hold Buyer harmless from and against all losses, damages, liability, actions, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees and other expenses of litigation), suffered, incurred, or asserted by or against Buyer (a) by reason of Seller's breach of a warrant, (b) by reason of Seller's breach of any term of this Purchase Order, or (c) by reason of personal injury, including death, or property damage sustained by a third party, resulting from or arising out of an act or omission of Seller, or Seller's agents, employees, or contractors in fulfillment of this Purchase Order.

**14. INSURANCE.** Seller agrees to maintain adequate insurance coverage during the life of this Purchase Order in the opinion of the Buyer, including but not limited to comprehensive general liability insurance. Seller agrees to furnish evidence of such insurance upon Buyer's request. Compliance by Seller with insurance requirements does not in any way affect Seller's indemnification of Buyer under Article 13 above.

**15. NOTICE OF LABOR DISPUTES.** Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this Purchase Order, Seller shall immediately give notice thereof, including all relevant information with respect thereto, to Buyer.

**16. REMEDIES AND WAIVERS.** The remedies herein reserved to Buyer shall be cumulative, and in addition to any other or further remedies provided by law or equity. Buyer shall have the right to set off against any amounts payable by Buyer to Seller by reason of any counterclaim arising out of this Purchase Order or any other transaction with Seller.

No waiver by Buyer of any term or condition of this Purchase Order shall be construed as a permanent waiver of such term or condition or of any other term or condition.

**17. GOVERNING LAW.** This Purchase Order shall be governed, interpreted and construed by, and in accordance with the laws of the State of Michigan, United States of America. Any court action arising under this Purchase Order shall be venued in Oakland County, Michigan, United States of America.

**18. ENTIRE AGREEMENT.** This agreement shall include the Purchase Order, these General Terms and Conditions, and all attachments referred to in the Purchase Order or in the General Terms and Conditions, and it shall constitute the entire agreement of the parties with regard to the subject matter contained herein. All other prior or contemporaneous representations, warranties, covenants, or agreements between Seller and Buyer, or their representatives, with respect to the subject matter are hereby null and void. The term "Purchase Order" as used herein means the first and continuation pages of Buyer's complete Purchase Order form, including any special provisions contained therein. No modification shall be binding unless agreed upon in writing and signed by Buyer's duly authorized representative.

## QUALITY ASSURANCE PURCHASE ORDER CLAUSES

### QA CLAUSES ARE MANDATORY AND APPLICABLE TO ALL PURCHASE ORDERS

**QA1 FOREIGN OBJECT DEBRIS (F.O.D.).** Supplier shall assure cleanliness of products provided. Supplier shall assure cleanliness of product returned to Buyer in the event a service has been provided. Delivered product must be clean and free from any debris, such as machined chips, burrs, grinding dust, forming materials, corrosion, oil and other foreign material on surface to prevent F.O.D. entrapment.

**QA2 NONCONFORMING PRODUCTS.** Seller shall immediately notify Buyer of all products or processes found to be nonconforming to the engineering drawings, specifications or Purchase Order. Such items shall be identified and segregated until a determination is made to rework, replace or return to Buyer for ultimate disposition.

**QA3 NOTIFICATION OF ESCAPES.** It is the responsibility of the Seller to notify Buyer immediately of any items that were provided and later discovered by the Seller to be defective. This notification of escape shall include at a minimum Purchase Order number, part number, suspected quantity, and discrepancy noted.

**QA4 NOTICE OF CHANGES BY THE SELLER.** During the performance of this Purchase Order, Seller is required to obtain written approval from Buyer for any change in their system or procedures previously approved by Buyer.

**QA5 CERTIFICATES OF CONFORMANCE.** When specified in the Purchase Order, a legible and reproducible copy of a Certificate of Conformance shall accompany each shipment. The Certificate must include, at a minimum, the following:

- a. Sellers name and address.
- b. Buyers Purchase Order number.
- c. Quantity shipped, quantity accepted, quantity rejected.
- d. Buyer's part number and revision level.
- e. Serial numbers, batch numbers, certification numbers, heat numbers and cure dates, as applicable.
- f. Signature, title of authorized representative and date.
- g. The Certificate of conformance must contain a statement that all inspections, processing and tests have been performed as required by the drawing requirements and/or Purchase Order.
- h. Products controlled by heat numbers, cert numbers, batch numbers or cure dates must be linked to the certificate of conformance by the controlling number.
- i. Each shipment must be accompanied by legible and reproducible copies of all raw material, processing, test and hardware certifications needed to produce the part in accordance with the engineering drawing and/or Purchase Order requirements.
- j. The statement "Product/Processes supplied are free from mercury contamination." See QA6.

**QA6 Mercury-Free Requirements.** Materials furnished to Buyer shall not contain functional mercury in any form. Mercury-bearing instruments and/or equipment that may cause mercury contamination shall not be used in the manufacture, assembly, or testing of any material supplied to buyer.

**QA7 Specialty Metals DFAR requirements.** For all raw material purchase orders stating DFAR compliance, purchased material must conform to: Specialty Metals shall conform to DFAR 252.225-7008 and Alternate 1, 225.003, 252.225-7009, 252.225-7014 Alternate 1 and 225.872-1 as applicable on the specific purchase order. For Ball & Roller Bearing DFAR requirements the material shall conform to DFAR 252.225-7016, Alternate 1. DFARs can be reviewed at the Defense Procurement and Acquisition Policy web page – <http://www.acq.osd.mil/dpap/dars/dfars/index.htm>

\*\*Country of Origin/Melt shall appear on all specialty metal certifications.\*\*

**QA8 RIGHT OF ENTRY.** It is agreed that in the execution of this Purchase Order, Buyer and/or its prime contractor, including Regulatory Agencies, will be permitted on site to review supplier facilities and procedures, as deemed necessary.

**QA9 RECORD RETENTION.** In addition to the requirements of the certifications included in the buyer's Purchase Order, any additional records relating to work performed for Buyer maintained by the Seller must be kept complete and available to Buyer at the Seller's facility, including without limitation, all records, reports, data and other information necessary to assure compliance with Purchase Order requirements. The records must be maintained for a minimum of fifteen (15) years, unless otherwise specified.

Prior to discarding, transferring to another facility, or destruction of such records, the supplier shall notify and allow Buyer the opportunity to gain possession of such records including records at the supplier's sub-tier sources.

**QA10 FLOW DOWN TO SUB-TIERS.** All quality clauses in this purchase order/contract applies to the supplier whose name appears on the purchase order; as well as, all sub-tier suppliers. The supplier is responsible to flow these requirements to any machining or processing sub-tier supplier.

**QA11 GOVERNMENT RATED CONTRACTS.** Rated orders are identified in the Purchase Order by a priority rating consisting of the rating, DX or DO. Rated orders take preference over all unrated orders as is necessary to meet required delivery dates. Among rated orders, DX rated orders take preference over DO rated orders.

Suppliers are required to flow the rating to sub-tiers for the item they need to fill the Purchase Order. This provision ensures that suppliers will give priority treatment to rated orders from contractor to subcontractor to suppliers throughout the procurement chain.

**Additional Quality Assurance Requirements are applicable only when noted on the purchase order:**

**QAR12 – Special Customer Requirement – APS Technology, Inc.**

- APS Technology, Inc. Purchase Order Terms and Conditions MGMT-10012 applies.
- All referenced documents are available at: [www.aps-tech.com](http://www.aps-tech.com)
- and at: [www.aps-tech.com/legal/APS-Purchase-Order-Terms.pdf](http://www.aps-tech.com/legal/APS-Purchase-Order-Terms.pdf)
- Parts to be free of foam peanuts, shredded paper and staples. Heat sealing and masking tape or other suitable packaging methods are acceptable.

**QAR13 – Special Customer Requirement – Eaton Aerospace – Jackson, MS**

- Provisions 1-2-4-5-9-10-16-17 apply.
- Mercury Free Certifications Required
- E.D.M. prohibited without prior approval.
- Certificate of Conformance required for all processes Ref SQW 7.4.11 including Subcontractor's name and address
- Raw Material Chemical and Physical test report as applicable per blueprint
- Supplier is required to provide metal certifications including country of origin on all raw material purchase orders.
- When identified as a Government or DFAR compliant order: All metal products used in producing this order are required to be compliant with DFARS 252.225-7009 and 252.225-7014 Alternate 1 where applicable on the specific purchase order.
- Drawing interpretation per Vickers specification VS1-3-3-1
- Per acceptance of this order, seller agrees to the purchasing terms and conditions as set forth in articles 1 through 23. If seller does not have a copy of Eaton's purchase order terms and conditions, it is the seller's responsibility to retrieve them from the following link. <http://www.eaton.com/Eaton/OurCompany/DoingBusiness/SellingtoUs/index.htm>
- The supplier shall follow all applicable requirements stated in the Eaton Aerospace Supplier Quality Manual and in the Eaton Jackson, MS Quality requirements Document SQW 7.4-04

**QAR14 – Special Customer Requirement – Eaton Bedhampton, England**

- Eaton Bedhampton Supplier Requirements VSEQP No: 0400(1)
- Mercury Free Certifications Required
- E.D.M. prohibited without prior approval.
- Raw Material Chemical and Physical test report as applicable per blueprint
- Supplier is required to provide metal certifications including country of origin on all raw material purchase orders.
- The supplier shall follow all applicable requirements stated in the Eaton Supplier Excellence Manual [http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct\\_255384.pdf](http://www.eaton.com/ecm/groups/public/@pub/@eaton/@corp/documents/content/ct_255384.pdf)
- Order Status: Commercial A380

**QAR15 – Special Customer Requirement – Goodrich – Rome, NY**

- Power Transmission Systems General Purchase Order Provisions
- ISOP# 010 Supplier Quality Requirements and Specifications [http://www.trutron.com/pdf\\_files/ISOP010.pdf](http://www.trutron.com/pdf_files/ISOP010.pdf)

**Quality Clauses:**

- 10 – This part has been reviewed by Goodrich QA or Certified Buyer and is released for procurement.
- 103 – Supplier is required to maintain a Calibration System that meets the requirements of ANSI(NCSL) A540-1 or MIL-STD-45662, with written procedures for tooling fixtures and gages and periodic audits to ensure compliance.
- 104 – Supplier is required to maintain a Quality Assurance Program that is defined and that meets the requirements of ISOP 010. The Quality Assurance Program shall effectively control the quality of product and/or services specified on this purchase order.
- 105 – Manufacturer's Certificate of Compliance per drawing and purchase order is required. The C of C must list all additional sub-tier C of C's and material certs with applicable identification numbers (e.g., cert number, lot number, heat number, batch number, etc.) Lot number on the certification shall be traceable to the container, e.g. a label with the lot number on the container. (rev 12/16/09 RC)
- 106 – Material Physical & Chemical Certs for metallic raw material for use in fabrication of parts, subassemblies and assemblies in accordance with applicable Goodrich drawing is required.
- 109 – Certificate of Magnetic Particle Inspection per drawing is required (as applicable)
- 110 – Certificate of Fluorescent Penetrant Inspection per drawing is required (as applicable)
- 121 – Heat Treat Certification required including case hardness, depth and core hardness required. Hardness Test Reports required per drawing. Furnace numbers, times and temps with control charts as required by individual PO.
- 124 – Approved suppliers are responsible for controlling their sub-tier suppliers and do not required Goodrich permission to have subcontract operations performed, unless otherwise noted on the purchase order.
- 127 – Parts, subassemblies and assemblies shipped to Goodrich are to be protected from foreign object damage (FOD) during manufacture, protected from the environment to prevent oxidation or corrosion, packaged to prevent damage

during shipment and identifiable and traceable to a Goodrich purchase order. If requirements are not provided in the work instruction, supplier must call Goodrich Purchasing Department to acquire detailed corrosion protection instructions.

- 131 – Goodrich does not authorize any of its suppliers to make dispositions on non-conforming material relating to parts, subassemblies or assemblies unless material review authority is granted in writing. If non-conformances are detected during manufacture complete and submit VRMRB Form 869 prior to shipment per ISOP 010.
- 133 – Production records shall be maintained by the supplier for a minimum of (10) years unless otherwise stated on this purchase order. NDT inspection records, heat treat records and chemical and physical certifications shall be maintained for a minimum of (25) years unless otherwise stated on this purchase order.
- 138 – Preference for Domestic Material per DFAR 252.225-7009 Alternate 1 applies to this purchase order. The C of C MUST include the following statement. "The material supplied has been melted in the United States or a qualifying country per DFAR 225.872.1." If clarification is required or if there is difficulty in acquiring domestic material as required by the DFAR please contact your Goodrich Buyer.
- 164 – QUALITY ALERTS: The following companies must NOT be utilized for material or to fabricate product supplied on this purchase order: American Metal Supply Inc., Anaheim CA 06/11, Anco Tech Inc./Anco Tech Acquisition 7/03; West Coast Aluminum/Temperform 7/03; Air Capitol Plating 4/05; Lawrence Engineering (LE), Advanced Metal Products (AMP), Gross Instrument Corp., M&M Int'l Aerospace Metals, Inc. (Rev. 4/3/06), Western Titanium 12/23/08.
- 181 – Any software used to mfg, inspect and/or accept product associated with this P.O. must be under change control.
- 182 – General Electric Aviation may be the end user of this product. G.E. specification S-1000 applies to this order.

#### **QAR16 – Special Customer Requirement – MOOG, Inc**

- Compliance with SQR-1
- Moog Standard Terms and Conditions
- Moog Supplemental Terms and Conditions, for orders in support of US Government Orders
- Machining Supplier Workmanship Standards
- All referenced documents are available at:  
<http://www.moog.com/suppliers/information-for-suppliers-shipping-to-the-united-states/>
- Parts to be free of foam peanuts, shredded paper and staples. Heat sealing and masking tape are acceptable.

#### **QAR17 – Special Customer Requirement – Northeast Aero Compressor Corp.**

- Supplier Control Document Revision No: 7 dated 04/16/2011
- Per 1.0.4 "The approved supplier must flow down to all its sub tier suppliers all the requirements of this quality system and the Purchase Order."
- Parts to be free of foam peanuts, shredded paper and staples. Heat sealing and masking tape or other suitable packaging methods are acceptable.

#### **QAR18 – Special Customer Requirement – Triumph Actuation Systems, LLC – Clemons, NC**

- Triumph Purchase Order Terms and Conditions (POTC-0001)
- Standard Terms & Conditions 1.1 thru 1.23 applies.
- Standard Quality Clauses: QA1 thru QA17 applies.
- Preference for Domestic Specialty Metals (DFAR) shall conform Triumph's QAR19 requirements
- All referenced documents are available at:  
[http://www.trutron.com/pdf\\_files/POTC-0001.pdf](http://www.trutron.com/pdf_files/POTC-0001.pdf)
- Parts to be free of foam peanuts, shredded paper and staples. Heat sealing and masking tape or other suitable packaging methods are acceptable.

#### **QAR19 – Special Customer Requirement – Triumph – Seattle**

- Triumph Purchase Order Terms, Conditions and Variable Codes Listing per TS6003
- Standard Terms & Conditions 1.1 thru 1.30 apply.
- Specific Variable Code as required.
- All referenced documents are available at:  
[http://www.trutron.com/pdf\\_files/TS6003.pdf](http://www.trutron.com/pdf_files/TS6003.pdf)
- Parts to be free of foam peanuts, shredded paper and staples. Heat sealing, masking tape or other suitable packaging methods are acceptable.