



Standard Purchase Order Terms and Conditions

ENTIRE AGREEMENT

This purchase order ("order") and any documents referred to herein, supercede all prior understandings, transactions and communications, whether oral or written, with respect to the matters referred to herein and form the complete contract between the Buyer and Seller. No modification, alteration, or amendment of this purchase order shall be binding upon the Buyer unless it specifically references modification, alteration, or amendment of this purchase order, it is in writing and Buyer's authorized representative signs it.

PACKING SLIPS, INVOICES

A packing slip bearing a complete record of the shipment including the number of buyer's purchase order to which it applies is required with each shipment. Packing slips must include Vitrons part number and manufacturers part number where required. Each invoice must show shipping route, quantity, prices, number of packages and serial numbers thereof and the number of Buyer's order to which is applies. Payments and discounts will be calculated from the date of receipt of the invoices bills of lading, express receipts.

WARRANTY

Seller warrants that the supplies covered by this purchase order will conform to the design and specifications and to drawings, samples, or other descriptions referred to in this purchase order, will be free from defects in material and workmanship, and to the extent that the Seller knows or has reason to know of the purpose for which the supplies are intended, will be fit and sufficient for such purpose. The warranties contained in this paragraph shall flow to the Buyer and its customers.

INSPECTION AND APPROVAL, RETURN OF GOODS

All material, goods and work shall be subject to Buyer's inspections and approval, despite any prior payment therefore. The seller shall at no time deliver product and/or services which are known to be nonconforming to applicable drawings, designs, specifications, and samples without first notifying the buyer and receiving written authorization to deliver said product and/or service. Materials other than those specified shall not be substituted without Buyer's written authority. Upon discovery by Buyer that the materials furnished contain any defect, patent or latent, or that the materials fail to conform to the foregoing warranty, buyer shall have the right: (a) if the materials have not been accepted, to reject delivery of the materials; (b) if the materials have been accepted prior to any payment to return them to Seller, recover all freight, storage, handling or other expense incurred by Buyer and be relieved of any payment for the purchase price thereof; (c) if payment has been made, recover all expenses incurred in reworking the material in an attempt to make them usable; and (d) to cancel the Buyer's rights as set forth in this paragraph shall not be construed to limit or affect any other rights which Buyer may have at law or under the terms of Seller's warranty herein. (e) outside process and outside marching price of material at assembly point or 5x the processing fee which ever is lower.

QUALITY SYSTEM

Seller shall provide and maintain a Quality System acceptable to Vitron Manufacturing purchase order / contract requirements. Compliance with the following requirements shall not absolve Seller of providing acceptable product nor preclude subsequent rejection. Quality System is subject to review and approval by Vitron Manufacturing during the purchase order / contract duration.

QUALITY RECORDS

All quality records must be legible, stored and retained in a suitable environment to prevent damage, deterioration or loss. Quality records shall be retained a minimum of eleven years, unless specified otherwise by purchase order / contract (I.E. 15 years for Hawker Beechcraft FAIs) **Quality records-Hard copy, electronic or other media that demonstrate conformance to specified requirements and verify effective operation of the quality system.

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DRAWING CONTROL

All planning, drawing, sketches, etc., issued with purchase order / contract are of the revision in effect of date of purchase order / contract award. Seller shall keep confidential and protect from disclosure all information and property obtained from Vitron Manufacturing. Unless authorized, Seller shall use Vitron Manufacturing supplied information and property only in the performance and purpose of this order, Seller shall return all such information and property to Vitron Manufacturing or make such other disposition as directed.

FIRST ARTICLE INSPECTION

Seller shall perform First Article Inspection on first unit, part or assembly for each purchase order / contract. Documented results shall show actual dimensions or feature and be supplied with initial shipment. All material and process certs must be provided. First Article must be compliance ASO 9102 standard form 1 2 and 3 shall be used. First Article Inspection reports do not constitute acceptance by Vitron Manufacturing. First Article requirements are mandatory. In addition, the organization shall perform a full FAI, or a partial FAI for affected characteristics, when any of the following events occurs:

- A change in the design affecting fit, form or function of the part.
- A change in manufacturing source(s), process(s), inspection method(s), location of manufacture, tooling or materials, that can potentially affect fit, form or function.
- A change in numerical control program or translation to another media that can potentially affect fit, form or function.
- A natural or man-made event, which may adversely affect the manufacturing process.
- A lapse in production for two years or as specified by Vitron.

CERTIFICATE OF CONFORMANCE

Certificate of Conformance or Certification is required from Seller for parts and / compliance with applicable purchase order / contract, drawing, specification and requirements. Distributors are required to provide their certificate of conformance along with the manufacturer's certificate of conformance. Individual material lots must be identified.

RAW MATERIAL

All raw material supplied to Vitron Mfg must be procured from domestic mills.

PROCESSING

Certification is required for all special processing controlled by Nadcap. Special processes shall only be performed by approved sources as specified purchase order / contract, drawing or specification. Functional test reports or results shall be furnished by Seller as required by the applicable purchase order / contract, specification or drawing.

TIME SENSITIVE MATERIAL

Where time sensitive materials are supplied, Seller shall include on all certifications the following:

- Each package of material
- Type of material
- Expiration date
- Lot or batch number
- PO number on label

VITRON MANUFACTURING SUPPLIED TOOLING

Seller shall be responsible for proper care, usage, protection and return of all Vitron Manufacturing supplied tooling and measuring equipment used by Seller for purchase order / contract completion.

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SUBCONTRACTING

Seller shall not subcontract work or any article to be supplied under this purchase order, without written approval of Buyer. This provision shall not apply to purchases of standard commercial articles, or raw materials, including castings, forgings, and rough-welded structures on which Seller will perform further work.

RIGHT OF ENTRY

All items of the purchase order / contract are subject to surveillance, including, facilities, equipment, personnel, product, procedures, systems and records at Seller's facility; such surveillance may be jointly performed by a representative of Vitron Manufacturing and its prime contractor, and/or the Federal Aviation Administration (or non-domestic, equivalent agency).

DELIVERY AND CANCELLATION

Delivery must be made in accordance with the date or dates specified in this order. If materials are not delivered at the specified time, Buyer shall have the option of purchasing elsewhere and charging Seller with any loss resulting therefrom and/or canceling the order or any part thereof. If materials are shipped so as to arrive more than five days in advance of the specified delivery date, Buyer, may at its option, either return such materials to Seller at Seller's risk and expense or charge Seller a reasonable storage charge. Buyer may from time to time change delivery dates or direct temporary suspension of shipments. Should buyer cancel this order or any part thereof without cause, Buyer's liability shall be limited to the actual labor and material costs and expense incurred by Seller which is applicable to the materials so canceled, not to exceed supplier quoted lead-time, less the salvage value of such materials.

TRANSPORTATION AND PACKING

All materials shall be suitably packed or otherwise prepared for shipments to protect the same fully during transportation. All materials shall be forwarded in accordance with Buyer's instructions, or in the absence of such instructions, by the safest and most appropriate route and method of transportation. Seller shall at all times secure the lowest commercially acceptable transportation costs. Excess transportation costs otherwise incurred will be charged to Seller's account. No charge shall be made for packing insurance, boxing, storage or drayage unless authorized by Buyer in writing.

PATENTS, TRADE NAMES, AND TRADEMARKS

Seller agrees, upon receipt of notification, promptly to assume full responsibility for the defense of any suit or proceedings which may be brought against Buyer or any of its subsidiaries, affiliated companies, agents or vendors, by reason of the use or sale of any materials furnished on this order which are not of the Buyer's design, or for alleged confusion, mistake or deception as the origin or source of goods, or for alleged patent infringement, or for alleged unfair competition resulting from similarity of design, trademark or appearance of goods. Seller further agrees to indemnify, defend and hold harmless Buyer, its subsidiaries, affiliated companies, agents and vendees against any and all expenses, losses, royalties, profits and/or from any settlement, decree or judgment therein. Buyer reserves the right to control any such suit or proceeding and may be represented by its own counsel at Seller's expense in any such suit or proceeding if it so desires.

CONTAINERS

When product is shipped for outside processing by Vitron Manufacturing in reusable containers, supplier shall return containers to Vitron, with product, in as good a condition as received, reasonable wear accepted.

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INSOLVENCY OF SELLER

If Seller ceases to conduct its operations in the normal course of business (excluding inability to meet its obligations as they mature), or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or if an assignment for the benefit of creditors is made by Seller, Buyer may terminate the order without liability except for deliveries previously made or for goods covered by the order then completed and subsequently delivered in accordance with the terms of the order.

PRENEGOTIATION AND PROCUREMENT REGULATIONS

It is understood and agreed that if any of the commodities or service ordered herewith are wholly or partially to be used for any government contract or subcontract, this order will be subjected to renegotiations pursuant to the applicable laws, rules and regulations whether heretofore or hereafter enacted or adopted and to all applicable provisions of the Armed Services Procurement Regulations in effect at the date hereof. All applicable requirements thereof are hereby incorporated by reference.

HAMILTON SUNDSTRAND PRODUCT

All Hamilton Sundstrand products as defined by the supplied drawing shall meet the requirements of Hamilton Sundstrand ASQR-01. This document is available on the Hamilton Sundstrand supplier for Hamilton direct suppliers. Those without access to the Hamilton Sundstrand portal shall confirm the latest revision, or request a copy from the Vitron buyer identified on the purchase order.

REVISION HISTORY

04/09/10 - Added Hamilton Sundstrand Product paragraph

12/09/10 - Clarified FAIR requirements. Last section with bullet points added

06/03/11 - Clarified that Distributor's are required to send their certificate of conformance with the product along with the manufacturer's certificate of conformance

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