



Number Two Red Plum Circle • Monterey Park, CA 91755
323.725.6812 Phone • 323.888.1042 Fax
www.rossnameplate.com

Purchase Order Terms & Conditions

The PURCHASE ORDER (“Order”) to which these TERMS AND CONDITIONS are attached comprises the complete and final agreement (“Agreement”) between the Vendor (“Seller”) and Ross Name Plate Company (“RNP”) for the item or items (“Product”) described herein. No other agreement or quotation in any way modifying or contrary to the terms and conditions of this Agreement will be binding upon RNP unless made in writing, and signed by RNP’s authorized representative.

AGREEMENT TO TERMS

Acknowledgement of this Order, made by: 1) submitting to RNP a written acknowledgement of same; 2) signing and returning to RNP a copy hereof; or 3) the commencement of performance hereunder by the Seller, shall constitute an agreement by the Seller to be bound by all of the terms and conditions stated herein.

PRICING

If a price is not stated on this Order, the Seller agrees to invoice at the lowest prevailing market price. The Seller shall furnish the items ordered in accordance with the price(s) and delivery schedule(s) stated herein; no increase in the price stated on this Order shall be valid unless agreed to in writing and signed by RNP’s authorized representative.

CHANGES

This Order must be accepted as written, and the Seller may make no changes to the price(s), drawings, specifications, quantities, delivery schedules, or other terms of this Agreement; no changes shall be binding upon RNP unless accepted in writing and signed by RNP’s authorized representative. RNP reserves the right to make changes in the drawings, specifications, quantities or delivery schedules on any item at any time. If such changes materially affect the quoted price or time for performance, an equitable adjustment shall be made to the purchase price, delivery schedule, or both, by agreement of the parties. All claims by the Seller for adjustment under this clause shall be waived unless asserted, in writing, within thirty (30) days from the notification date of the change. No extras shall be allowed except pursuant to a written change signed by RNP’s authorized representative.

INVOICES, PACKING LISTS, CERTIFICATIONS

For each shipment, the Seller agrees to mail a separate Invoice to RNP, together with one copy of the Packing List and any applicable Certifications. Duplicate copies of the Packing List and Certifications are to accompany each shipment.

DELIVERY

Time is of the essence in the performance of this Order. If the Product or any part thereof is not delivered to RNP on the date or dates specified herein, RNP may, at its option, cancel all or any part of this Order for default.

CANCELLATION

RNP may cancel all or any part of this Order, and may vary or suspend the shipping schedule provided herein, upon written notice to the Seller at any time and for any cause, and the Seller shall terminate work pursuant to the terms of such notice. RNP shall have no liability beyond the actual cost of completed goods, or for materials actually purchased, as of the date notification was delivered to the Seller. The Seller shall take all reasonable steps to mitigate its damages, and in no event shall RNP be liable for special, indirect or consequential damages or lost profits due to said cancellation, nor for damages in excess of the contract price for the items cancelled.

QUALITY AND INSPECTION

The Seller agrees that its Product shall meet, and will continue to meet, all specifications, quality standards and inspection criteria established for this Order currently in effect or as hereafter implemented by RNP. The Seller shall submit to RNP all production, functional, and quality control test reports and other data as may be requested by RNP from time to time, and the Seller hereby grants to RNP the right to enter Seller’s premises at any time during reasonable business hours to effect any such in-process inspection. Notwithstanding any such preliminary or in-process inspection, all items are subject to a final inspection to be made within a reasonable time after delivery to RNP, and acceptance of product shall not occur until inspection approval has been given. Any product rejected may, at RNP’s option, be: 1) returned to the Seller at the Seller’s expense (title and risk of loss to be with the Seller); 2) held, at the Seller’s expense, subject to the Seller’s disposition instructions; or 3) accepted by RNP at an equitable reduction in price. The Seller shall promptly refund any payment to (or credit the account of) RNP for rejected items paid for and not replaced with conforming product.

REQUIREMENT FOR THE QUALIFICATION OF PERSONNEL

The Seller’s Quality System shall assure all relevant Purchase Order requirements are met and all applicable processes affecting the final quality of the product in the Purchase Order were rendered by qualified personnel.

RIGHT OF ENTRY

Allows RNP, its customers, and regulatory agencies to determine and verify the quality of work, records, and materials at any place, including the premises of the subcontractor.



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NON-CONFORMING MATERIAL

The Seller's Quality System shall provide for control of non-conforming material, including procedures for its identification, segregation and disposition. Seller shall notify RNP of any nonconforming product. Seller shall receive nonconforming product disposition approval from RNP. Seller shall notify RNP of changes to their processes, suppliers, or manufacturing facility locations.

NON-CONFORMANCE FOUND BY ROSS NAME PLATE

Non-conforming material found by RNP will be reported to the Seller on a Non-Conforming Material Report (NCMR) form. When a Corrective Action statement is required, it shall be completed within thirty (30) calendar days from receipt of the Corrective/Preventative Action Request (CPAR). Failure to respond to a CPAR may result in refusal to accept further delivery until an adequate response is provided. No further purchase orders will be issued to a supplier who ignores a request for a CPAR response. Reasonable extensions of time will be granted when valid written requests are provided by the supplier.

DRAWINGS, SPECIFICATIONS, TECHNICAL INFORMATION AND OTHER INTELLECTUAL PROPERTY

Unless otherwise expressly provided for in this Order, all samples, drawings, data and designs furnished by RNP in conjunction with this Order are proprietary and/or confidential and shall be, and remain, the property of RNP; no such items are to be used, reproduced and/or disclosed by Seller (or Seller's agents or employees) without RNP's express written consent.

TOOLING, MATERIALS AND FIXTURES

Unless otherwise expressly provided for in the Order, all tooling, materials, fixtures and/or other articles required for the performance thereof shall be furnished by the Seller, shall be maintained in good condition and replaced when necessary at the Seller's expense. If RNP agrees to purchase special tooling, fixtures and/or other articles, either separately or as a stated part of the unit price of goods purchased herein, title to same shall pass to RNP upon payment therefore; any tooling, fixtures, materials and/or articles, whether supplied to the Seller or purchased by RNP, shall be adequately insured by the Seller against loss or damage while in the possession or under the control of the Seller, and shall be returned to RNP when no longer required in the same condition as when purchased or supplied to the Seller (except as to ordinary wear resulting from completion of the Order).

PATENTS AND COPYRIGHTS

The Seller warrants that the items and any parts thereof furnished under this Order do not infringe upon any U.S. or foreign patent or copyright, and the Seller agrees to defend, at its own expense, any claim or suit against RNP asserting or alleging such infringement, and to pay all awards or damages arising out of such suits or claims. This duty to defend and indemnify shall not apply to any infringement arising from the Seller's reliance upon a detailed designs provided by RNP.

WARRANTY

In addition to any other express or implied warranties, the Seller warrants that the Product(s) described in this Agreement shall be free from defects in workmanship and materials, and shall conform to the applicable specifications, drawings and samples (if any) provided by RNP. Failure of the Seller to replace a defective item within a reasonable time after a request by RNP shall be considered a default and RNP shall be entitled to purchase substitute items and the Seller shall be liable for any excess costs occasioned by such purchase.

COMPLIANCE WITH LAWS

The Seller certifies to RNP that in performance of work under this Order it shall comply with all applicable Federal, State and local laws, the violation of which RNP may be liable, including the Fair Labor Standards Act as amended to the date of certification and all applicable U. S. Department of Labor Regulations promulgated there under.

RECORD RETENSION

The Seller agrees to retain a record of all product lot certification and sales documentation for a period of no less than 15 years, unless otherwise instructed, from the date of shipment. Upon request, the Seller shall be capable of producing and delivering the required records to RNP within the time period specified. Prior to discarding, transferring to another facility, or destruction of such records, RNP must be notified in writing.



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SUPPLIER REQUIREMENTS:

- Follow the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions); and the special requirements, critical items, or key characteristics as identified on these documents
- Unless otherwise specified, the supplier shall use internally approved:
 - products and services;
 - methods, processes, and equipment;
 - the release of products and services;

to ensure product and services provided are conforming to Ross Name Plate's requirement.

- Ensure person(s) performing the work is competent, and qualified per to supplier's internal requirements
- Perform test, inspection, and verification (including production process verification) in accordance to supplier's internal procedures to provide conforming product or services to Ross Name Plate's requirements
- As applicable, use statistical techniques for product acceptance and related instructions for acceptance as identified by supplier's internal procedures;
- Notify Ross Name Plate of any nonconforming product and obtain Ross Name Plate's written approval prior to delivering any nonconforming material or product.
- Notify Ross Name Plate of any changes to the material, product or process, sub-tier supplier and, when required, obtain Ross Name Plate's prior written approval.
- Provide right of access by Ross Name Plate, its customer(s), and regulatory authorities to all facilities and records involved in, and applicable to, the product.
- Flow down to sub-tier suppliers all applicable requirements in the purchase order, including key characteristics, and specially processes where required.
- All suppliers should be compliant with an industrial recognized quality standard or management system. Ross Name Plate may elect to send a Supplier Self- Assessment Audit or perform, as required, an on-site compliance assessment audit when third party certification does not exist. Any change in a certification status must be communicated to Ross Name Plate.
- Use Ross Name Plate or Ross Name Plate Customer designated or approved external providers, including process sources (e.g., special processes) if specified;
- Prevent the use of counterfeit parts
- Provide test specimens for approval, inspection/verification, investigation, or auditing if requested.
- Retain documented information for a minimum of 10 years, and be available to Ross Name Plate or Ross Name Plate's customer upon request

The supplier shall commit and be aware of:

- their contribution to product or service conformity;
- their contribution to product safety;
- the importance of ethical behavior.

FOREIGN OBJECT DAMAGE (FOD) CONTROL:

The supplier shall ensure that Foreign Objects and subsequent Foreign Object Damage (FOD) is eliminated from all parts prior to shipment. In addition to maintaining compliance with Honeywell site's cleanliness specifications, all suppliers must maintain a FOD free environment during machining, manufacturing, assembly, maintenance, inspection, storage, packaging and shipping.

- ***Potential FOD includes but is not limited to burrs, chips, dirt, corrosion, residual abrasive material from grind, hone, deburr, polish, and/or surface improvement, and/or contamination resulting from the manufacturing, assembly, maintenance, processing, cleaning, storage and subsequent packaging of parts.***
- ***Suppliers must ensure all passageways- cast and/or machined are clear of chips, core material, dirt, breakout of cast walls, etc.***
- ***Prior to closing inaccessible or obscured areas and compartments during assembly, supplier shall ensure the areas are free of FOD.***
- ***Suppliers must ensure all parts are clean and FOD free prior to shipment.***
- ***Suppliers are required to maintain a FOD prevention program, which includes prevention and elimination of FOD from the manufacturing processes and work area.***



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Specific attention should be given, where applicable, to items such as:

- *Housekeeping and cleanliness*
- *Food and beverage control*
- *Tool and small part accountability*
- *Loose objects*
- *Material handling and parts protection*
- *External cleaning following evidence of external contamination*

Supplier shall ensure that the responsibility for the FOD prevention program is clearly defined and appropriate personnel have received FOD awareness training.

Suppliers are responsible for flow down of these requirements to their sub-tier suppliers to ensure FOD free products.

Suppliers FOD prevention program and controls shall comply with SAE AS9146 and are subject to periodic audits by Honeywell as deemed necessary to ensure program effectiveness and compliance. This includes, but not limited to, Failure Analysis Reports, Containment and Preventive Corrective Action Plans taken to preclude recurrence. These reports shall be made available and submitted upon request.