



A business unit of Gremada Industries, Inc.

## TERMS AND CONDITIONS

**FLOW DOWN:** The seller is required to flow down applicable requirement, including customer requirements, to sub-tier suppliers. Suppliers shall ensure that all persons involved with the contract are aware of:

1. Contributions to product and service conformity
2. Contributions to product safety.
3. Importance of ethical behavior.

**NONDISCLOSURE:** All customer and Original Equipment Manufacturer (OEM) documentation, including information provided with this contract is proprietary and is subject to nondisclosure by anyone who has access to the information, even if agreements are not in place.

**ITAR/ EAR:** Prohibit the export of documents that contain technical data. Documents flowed down may contain technical data subject to these regulations. Disclosure to foreign persons without prior U.S. Government approval is prohibited. Violations of these export laws and regulations are subject to severe civil and criminal penalties.

**DFARS:** All procured products, services, and material must be compliant to all applicable DFARS clauses.

**CERTIFICATIONS, CERTIFICATE OF CONFORMANCE, AND INVOICES,** along with a packing slip, shall be provided with all shipments. Whelan Machine and Tool, LLC (WMT) purchase order number and part number shall appear on all C of C's and packing slips. Raw Material Certifications shall show the heat numbers and chain of custody from the mill to ensure full traceability.

**COUNTERFEIT PROGRAM REQUIREMENTS:** All products supplied shall have OEM traceability disclosed with every shipment. Certifications indicating the applicable Lot Number, including any manufacturer certifications from all intermediaries and distributors in the supply chain, are required.



A business unit of Gremada Industries, Inc.

**RECORD RETENTION:** Seller shall maintain complete and accurate records (including any documents needed to support costs and expenses incurred), by Seller in the performance of this purchase order.

**PART CONFIGURATION:** Seller shall NOT make any modifications to any of the instructions provided by WMT for the production of this purchase order unless prior written approval is obtained by WMT. Examples of modifications requiring prior written approval include, but are not limited to changes to materials, processes, design details, part number identification and physical/functional interchangeability.

**QUALITY CONTROL:** The seller shall ensure that products, services, and material furnished on this order complies with all specification requirements set forth on the purchase order. All product, services, and materials shall be inspected and accepted in accordance with the specifications provided within the purchase order. When requirements for a first piece are specified on the purchase order, a WMT first piece inspection shall be performed prior to any operation that will render a feature uninspectable. All products, services, and materials shall be subject to WMT's end use customer.

**NONCONFORMING PRODUCT:** Seller shall notify WMT of any nonconforming materials, product or services prior to delivery. WMT shall be notified within 24 hours after detection of nonconformance for materials, products or services if delivery to WMT has occurred. If nonconforming materials, products or services cannot be brought into conformance, seller is responsible for the cost to replace all nonconforming materials, products and services, including costs to rework any item that has consumed the nonconforming material, product or service. In the event a corrective action is issued, a 30 day time-frame is given for a response. In the event a corrective action is past due and no response has been submitted, at the discretion of WMT management, the seller may be removed from WMT's Approved Supplier List.



A business unit of Gremada Industries, Inc.

**PACKAGING & PRICES:** Seller shall package materials, products and services to prevent damage in transit. If damage occurs due to improper packaging, seller will be responsible for replacement. Charges for packaging and shipping are the seller's responsibility in the absence of other agreements.

**DELIVERY & CANCELLATION:** WMT reserves the right to cancel the order if it is not filled within a reasonable time or if any sections of the order are violated.

**RIGHT OF ENTRY:** WMT and its designated representatives (including customers and regulatory agencies), retain the right of entry into seller's facility for verification of quality, product conformity and seller records.

**PATENTS AND COMPLIANCE:** Seller shall comply with applicable Federal, State and local laws, regulations and directives.

**GOVERNMENT CONTRACTS:** When the end user is identified as the United States Government, or when other indications denote the material being purchased is in connection with a government contract, this purchase order shall be deemed a subcontract and all applicable provisions required by Federal law, Executive order, Armed Services procurement regulations, and the prime contract are hereby incorporated herein by reference.

**REQUIREMENTS/SPECIFICATIONS:** The purchase order contains important details regarding the requirements for performance of this purchase order.

**ADMINISTRATIVE REQUESTS:** Any requests to furnish certifications, first article inspections, functional testing reports after 30 days from the receipt of product shall incur a \$250.00 charge.