

PURCHASE ORDER TERMS AND CONDITIONS

<p>The Following GENERAL TERMS AND CONDITIONS - GTC (QAF 6.0), & STANDARD TERMS AND CONDITIONS (Form QAF 6.1) Apply To All C&H Purchase Orders / Contracts, Unless Otherwise Noted. Specific C&H Quality Requirements (C&H QR) CLAUSES QR1, QR2, & QR3 Shall Apply to all P.O.'s and Others Apply When Noted On The P.O. as applicable.</p>	<p>Date Revision: Rev. C - 2018</p>
GTC	<p>RIGHT OF ENTRY. The buyer and buyers customer, and their customers, or any applicable regulatory agency will have the right to enter the sellers facility to perform inspection or ensure compliance to the contract.</p>
GTC	<p>ACCEPTANCE of this order, or the initiating of any process, or the furnishing of any product, or the acceptance of payment, constitutes unconditional acceptance by the seller.</p>
GTC	<p>AMENDMENTS to this order, or C&H Terms and Conditions shall be set forth in writing, via purchase order change notice, and /or revisions to the purchase order terms and conditions. C&H will consider sellers request to modification of, or exception to, only if such request is made in writing, prior to the acceptance of the order (ref. Acceptance clause)</p>
GTC	<p>PRICE as stated on this order covers all goods and services to be provided by the seller as specified in the order. These prices also cover all charges for packaging, containers, and transportation, unless specifically depicted otherwise on the face of the order</p>
GTC	<p>SHIPMENT of goods and services under this order shall be f.o.b as set forth on the face of the order. Seller shall follow buyers instructions regarding method of shipment, except where buyer has so stated on the face of the order. Shipments delivered more than 2 weeks in advance of scheduled delivery date will not be accepted without buyer approval.</p>
GTC	<p>SCHEDULE for delivery will be the responsibility of the seller. The seller shall not be held liable for damages in respect to delivery delay due to causes beyond sellers reasonable control. However, if the seller does not meet the delivery date as depicted on the face of the order, the buyer may approve a revised delivery schedule, or terminate the order without liability for such termination.</p>
GTC	<p>HAZARDOUS MATERIAL seller agrees to furnish the applicable material safety data (msds) sheet(s) with each shipment, for products designated by industry, state, or federal agencies as hazardous material.</p>
GTC	<p>PACKAGING AND PROTECTION of the product shipped shall be in accordance with the C&H po or best commercial practice to protect product from damage and/or deterioration.</p>
GTC	<p>CANCELLATION shall remain the right of the buyer and may be initiated at any time.</p>
GTC	<p>TOOLING furnished by C&H shall be maintained indoors, the seller is responsible to ensure adequate care is utilized within their facility, to maintain the tooling in good working condition. Any damages to this tooling, while in the care of the seller shall be reported to the C&H buyer in writing. C&H shall disposition damaged tooling prior to further processing by the seller. Seller rework of C&H furnished tooling shall be authorized in writing.</p>
GTC	<p>QUALITY ASSURANCE. The supplier shall comply with the C&H Quality System requirements as specified by the C&H Supplier Survey or purchase order. Supplier agrees to implement and maintain the Quality or Inspection System during the performance of this contract. An authorized Certificate of Conformance is required with each shipment. Process suppliers shall furnish a complete Certificate of Conformance with each shipment indicating the PO number, specification number and revision, name of supplier and quantities accepted and rejected. Material suppliers shall furnish chemical/physical test reports with each shipment identifying the applicable specification and revision, actual chemical composition and physical properties, melt, heat, batch, or lot. Additional C&H Quality Requirements (C&HQR clauses) apply when referenced by PO. The supplier is not authorized to perform Material Review action of nonconforming material. <u>Note:</u> This clause does not apply to contracts for C&H non-deliverable goods or services.</p>
GTC	<p>NONCONFORMANCES Upon acceptance of a C&H purchase order, the supplier agrees that C&H is entitled to reimbursement of C&H labor and material costs associated with seller responsible nonconformances and damages. <u>Supplier shall notify C&H immediately upon discovery of nonconformance.</u> Supplier is not authorized to disposition or rework nonconformances.</p>
GTC	<p>SPECIFICATIONS Supplier and all sub-tier suppliers must comply with all applicable specifications and revisions current at order placement</p>
GTC	<p>SPECIALTY METALS Supplier shall comply with "Preference for Domestic Specialty Metals" per DFARS 252.225-7014 Alt. I</p>
GTC	<p>ITAR Documents and data supplied by C&H Hydraulics 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.</p>
GTC	<p>The supplier shall flow down all all related related information to sub-tiers per the requirements of AS9100. Supplier shall have a written system for the prevention of FOD. This system must show evidence of a written practice, effective employee training and a corrective action system when FOD is detected.</p>
C&HQR 1	<p>Suppliers must provide a copy of manufacturer's cert of conformance and any requested material and process certs along with shipment. Seller warrants that all goods being sold are new. Supplier shall have an adequate counterfeit parts prevention program in place.</p>
C&HQR 2	<p>The supplier shall implement a Quality System in compliance with SAE AS9100. (X), ISO9001. (), Other () _____</p>
C&HQR 3	<p>The supplier and supplier subcontractors shall meet and maintain a Calibration System in compliance with Calibration System Requirements of ISO10012 or ANSI Z540-1.</p>
C&HQR 4	<p>C&H Source Inspection and/ or Customer Verification is required at supplier facility prior to shipment. C&H will place an Inspection Stamp on the supplier shipper to indicate C&H acceptance. Contact C&H at least 48 hours prior to shipment from supplier facility to schedule.</p>
C&HQR 5	<p>Government Source Inspection is required at supplier facility prior to shipment. Supplier shall contact C&H and applicable Government Representative to arrange for Government acceptance prior to shipment from supplier facility.</p>
C&HQR 6	<p>The supplier shall perform and document a complete First Article Inspection Report (FAIR) per AS9102, including 100% of B/P or specification requirements. One copy of supplier FAIR will be furnished to C&H Inc. along with the first shipment for this PO/contract.</p>
C&HQR 7	<p>The supplier shall implement and maintain a Key Characteristics (KC) control program acceptable to C&H.</p>
C&HQR 8	<p>The supplier shall provide an Inspection Report (IR) identifying engineering requirements and actuals. Use of supplier or C&H inspection form is acceptable. One copy of the IR shall be furnished to C&H representing each manufacturing lot.</p>
C&HQR 9	<p>The supplier shall perform 100% inspection of the C&H noted characteristics, a record of the inspection results shall be provided to C&H, sampling inspection is not allowed.</p>
C&HQR10	<p>The supplier shall comply with the C&H Special Quality Requirement noted (As defined by C&H QA):</p>