



TERMS AND CONDITIONS FOR PURCHASE ORDERS

Supplier agrees that the following Terms and Conditions (T&C's) and the conditions set forth in accompanying Quality Clauses for Suppliers are incorporated into and govern all Purchase Order (PO) between Supplier and Models & Tools Inc. (the Company).

Models & Tools Inc. and our customers reserve the right of entry into our supplier's facility at any time during the performance of the contract/purchase order to perform inspections/audits relating to the contract/purchase order.

Supplier represents and warrants that: (a) Supplier owns all rights, title and interests in the products and services and has the legal authority to sell, license or otherwise transfer the right to use or sell such items to Company; (b) the products and services covered under the Purchase Order are of good and merchantable quality and free from defects in design, material and workmanship, are safe and conform to applicable specifications, drawings, samples, descriptions and associated documentation provided to Company in writing; (c) the products and services, and the production and sale thereof, and all warranties, guarantees, representations by Supplier made or authorized to be made in connection therewith are in all respects in compliance with all applicable international (including applicable import and export regulations), federal, state, local laws, rules and regulations; (d) the goods are fit for the use intended; neither the products and/or services, nor their sale or use will infringe any patents, trademarks, copyrights, trade secrets, or similar intellectual property rights of any third party; (f) unless otherwise specified in this Purchase Order, the goods are new and not used or reconditioned; and (g) Supplier will comply with all federal, state and local laws, ordinances, rules and regulations applicable to its performance under this Purchase Order.

The Purchase Order, the Quality Clauses for Suppliers and these Terms and Conditions constitute the entire agreement and understanding between the parties with respect to the subject matter contained in the Purchase order, the Quality Clauses for Suppliers and these Terms and Conditions, and Company shall not be bound by any other terms, including, without limitation, any terms that may be contained in any acknowledgement, contract, proposals, invoice form, Suppliers web site or correspondence, or other act of Supplier and notwithstanding Company's purchasing department's act of accepting or paying for any shipment or similar act of the purchasing department.

QUALITY CLAUSES FOR SUPPLIERS

Clause 1 Certificate of Conformance (C of C)

A C of C must be provided with each shipment. The C of C must include at minimum:

- a) Supplier name, address, and date of certificate
- b) Models & Tools Inc. job/part number, PO number



Clause 2 Certificate of Analysis (C of A)

A Certificate of Analysis (C of A) must be provided with each shipment. The C of A must include at minimum:

- a) Chemical and physical properties traceable to the delivered product
- b) Models & Tools Inc. job/part number, PO number

Clause 3 Right of Entry

Models & Tools Inc. and our customers reserve the right of entry into our supplier's facility at any time during the performance of the contract/purchase order to perform inspections/audits relating to the contract/purchase order.

Clause 4 Material safety data sheets (MSDS)

MSDS must be provided with each shipment as applicable.

Clause 5 Critical and limited life items

Materials or articles having characteristics susceptible to degradation with age shall be marked in a Permanent manner to indicate the Manufacturer's batch number, date at which the critical life was Initiated (or useful life will be expended), and Models & Tools Inc. Purchase Order Number.

Clause 6 Special process certification

Where special process certification is a requirement (plating, painting, welding, heat treatment, etc.) supplier must provide proof of certification.

Clause 7 Quality program requirements

Where required by Models & Tools Inc. customer contract(s), flow down requirements Models & Tools Inc. suppliers mandated by the customer must be observed. Models & Tools Inc. customer requirements may include specific quality program requirements which are to be flowed down to our suppliers Models & Tools Inc. purchasing will provide the necessary information to the supplier in order to allow for compliance with the applicable requirements.

Clause 8 FAR and DFAR requirements

All materials provided by suppliers must meet FAR and DFAR regulations.

Guidelines for applying Quality Clauses for Suppliers

- A) All suppliers are required to conform to items 1, 2, 3, 7 & 8.
- B) All suppliers of raw material are required to conform to items 2, 3, 7 & 8.
- C) All suppliers of standard purchase items are required to conform to items 1, 3, 7 & 8.
- D) All suppliers of plating, painting, welding, heat treatment, etc., are required to conform to items 3, 6, 7 & 8.
- E) All suppliers of chemical supplies are required to conform to items 1, 3, 4, 5, 7 & 8.