



Dav-Tech Plating, Inc.

Terms and Conditions

INTRODUCTION

DAV-TECH PLATING, INC. recognizes the important role our SUPPLIERS have in the on-time delivery of quality products we offer our customers. As an extension of our own operations, we rely on our Suppliers to provide material, products and services which meet all the requirements of DAV-TECH PLATING, INC. contracts to include Customer requirements, applicable specifications and the quality management requirements outlined herein. Your acceptance of our P.O.'s indicates your acceptance of the following requirements:

PURPOSE

The purpose of this document is to provide our supply base with the guidelines that have been established for Purchasing, Shipping and Quality for Purchase Orders issued to all Suppliers. DAV-TECH PLATING, INC. Suppliers shall comply with all Purchase Order requirements and flow down any applicable requirements to their Sub-Tier/Subcontractors.

SCOPE

These requirements apply to all DAV-TECH PLATING, INC. Suppliers and their Sub-Tier/Subcontractors.

PROCUREMENT REQUIREMENTS

The Supplier shall manufacture product or provide service to applicable drawings, specifications and/or standards stipulated on the Purchase Order. The Supplier shall flow down to Sub-Tier/Subcontractors the applicable requirements in the purchasing documents, including key characteristics where required. The Supplier shall notify DAV-TECH PLATING, INC. prior to the acceptance of the Purchase Order if any of the requirements stipulated cannot be met.

The Supplier shall notify DAV-TECH PLATING, INC. immediately of any changes to the characteristics or configuration of the product and/or processes used to manufacture the product. When required, the Supplier shall obtain written approval of changes from DAV-TECH PLATING, INC.

PERSONNEL QUALIFICATION

The Supplier shall ensure personnel performing work under this Purchase Order, are qualified to perform the functions required to produce the desired results. This would include any specific training and/or certifications as described within the applicable specifications related to this order.

CONTROL OF DRAWING AND SPECIFICATIONS

The Supplier shall ensure that all drawings and specifications are at their relevant revision status and/or as specified on the Purchase Order. The Supplier shall comply with any special requirements requested by

DAV-TECH PLATING, INC. regarding the control of drawings and specifications to include confidentiality clauses and ITAR Compliance

CALIBRATION SYSTEM

The Supplier shall maintain a calibration system in full compliance with all of the requirements of ISO/10012-1 or ANSI/Z540-1 Standards. All inspection measuring and Test equipment used by the Supplier during in-process and final inspection, to make a compliance evaluation, shall be calibrated and traceable to the standard used for calibration of the National Institute of Standards and Technology (NIST). The Supplier's calibration system is subject to audit and approval or disapproval at all times by DAV-TECH PLATING, INC. Quality.

RIGHT OF ENTRY

DAV-TECH PLATING, INC. reserves the right to review control methods and inspect material, included in this Purchase Order, at the Supplier's facility and at any Sub-Tier/Subcontractor plant. Access rights shall also be extended to our customer and Government or Regulatory representatives.

SOURCE INSPECTION

If a "Source Inspection" is a requirement of this Purchase Order, the Source Inspection will include surveillance of the products, data, quality system, procedures and facilities. The Supplier shall furnish the necessary equipment and facilities, supply data and perform any tests required by DAV-TECH PLATING, INC.'S source inspector to show conformance to the Purchase Order requirements and reference documents. DAV-TECH PLATING, INC. shall be notified at least 3 days in advance of the required inspection. Final acceptance of any product will be performed at DAV-TECH PLATING, INC.'S facility.

PRODUCT SAFETY AND ETHICAL BEHAVIOR

Dav-Tech requires its suppliers to promote a culture of employee awareness of their contribution to product and service quality, their contribution to product safety, and the importance of ethical behavior.

QUALITY SYSTEM

The Supplier shall have and maintain a documented Quality Management System which is acceptable and appropriate for the items or services supplied or an DAV-TECH PLATING, INC. approved equivalent that provides adequate inspection to verify that the product or service supplied are in full compliance with the Purchase Order requirements and specifications. Preference shall be given to Suppliers who have a QMS certified to the current revisions of ISO:9001 OR AS9100. The Supplier's QMS shall be subject to audit and approved by DAV-TECH PLATING, INC. or its customers. DAV-TECH PLATING, INC. measures Supplier performance on an ongoing basis.

Suppliers that provide calibration services are required to have a QMS certified to ISO/EC17025 quality standard and provide calibration certificate that meet NIST Standards.

APPROVED SOURCES

When the purchase order identifies "Approved Sources", only approved sources shall be used. When required on Military and Department of Defense (DOD) contracts, only parts from Qualified Product Lists (QPLs) or Qualified Manufacturers Lists (QML's) may be used. There are no part deviations or substitutes allowed unless written approval is obtained from DAV-TECH PLATING, INC.

CONTROL OF NON-CONFORMING PRODUCT

The Supplier shall identify, segregate and determine appropriate disposition of non-conforming product and advise DAV-TECH PLATING, INC. within 24 hours. The Supplier shall have an effective corrective action system in place.

COUNTERFEIT/SUSPECT PARTS

The Supplier shall not use or supply counterfeit/suspect parts identified as a copy or substitute part whose material, performance or characteristics are knowingly misrepresented.

QUALITY RECORDS

All quality records are to be legible, reproducible and identifiable to the Purchase Order. Quality Records shall be stored and maintained in such a manner that they are readily available, retrievable and stored in an environment to minimize deterioration or damage to prevent loss; this applies to SubTier/Subcontractors as well. Retention period for Quality Records are for a minimum of 3 years unless otherwise specified on the Purchase Order. DAV-TECH PLATING, INC., our customers, the Government or Regulatory Agency representatives shall have access to review quality records as they pertain to this order.

FOREIGN OBJECT DEBRIS CONTROL (FOD)

The Supplier shall maintain a FOD program/process that shall ensure work is accomplished in a manner preventing foreign object debris and damage to deliverable items. The Supplier shall maintain good work area housekeeping practices, parts protection, hardware and tool accountability and parts and material storage and handling in a manner adequate enough to preclude the risk of FOD incidents. The Supplier's FOD program shall be subject to audit at all times by DAV-TECH PLATING, INC. Quality.

PERISHABLE MATERIAL

Materials shipped against this Purchase Order must be labeled indicating the expiration date and any environmental conditions that would adversely affect the item's intended use. No materials shall be supplied to DAV-TECH PLATING, INC. which have less than 75% of useful life remaining, or one year, whichever is less.

PACKAGING AND LABELING

Unless otherwise specified in the Purchase Order, the Supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration and physical damage during shipment to DAV-TECH PLATING, INC. The Supplier shall comply with any special packaging and labeling requirements requested by DAV-TECH PLATING, INC. or by its customer.

The Supplier shall mark the product (as applicable) and the packaging so that it can clearly be identified.

Hazard Warning Labels from the manufacturer, importer, distributor or Supplier shall be affixed to each individual container of toxic substances or hazardous chemical delivered to DAV-TECH PLATING, INC. and shall include at a minimum; the chemical name and hazard warning as defined by OSHA Hazard Communications Standard 29 CFR 1910-1200.

SHIPPING CONTROLS

The Supplier shall ensure that all materials shipped against the Purchase Order to DAV-TECH PLATING, INC. are handled, labeled, packaged and shipped in accordance with the Purchase Order, applicable

specifications and/or customer requirements. In the absence of specific shipping instructions, shipments shall be routed via the most economical mode. All required shipping documentation must accompany all shipments.

All product/services must be delivered on-time as specified on the Purchase Order; time is of the essence with respect to delivery of product/services. The Supplier must immediately notify DAV-TECH PLATING, INC. if any product/service cannot be delivered as ordered by the stated date. DAV-TECH PLATING, INC. reserves the right to cancel the Purchase Order, or any portion thereof, if delivery is not made as specified and charge the Supplier for any loss sustained as a result of such cancellation.

If the Supplier elects a more expensive shipping method to meet delivery requirements, the Supplier shall be responsible for any increased shipping expenses.

At the option of DAV-TECH PLATING, INC., in the event of shipment or receipt of less than all products/services ordered, DAV-TECH PLATING, INC. may either accept shipment and pay only for the product/services received, based on unit price, or reject the entire shipment; early shipments are most often accepted.

RAW MATERIAL TRACEABILITY

All applicable items manufactured under the Purchase Order shall be traceable to raw materials used. Traceability and inspection records shall be available upon request. Identification of all material used shall include, but not limited to; lot number, material type, specification, heat treat number as well as all other information necessary to adequately identify material in such a manner that full traceability of raw materials used is included.

CERTIFICATION OF COMPLIANCE

Certification documentation is required from the Supplier and Sub-Tier/Subcontractors and shall be identified with and include the following information at a minimum:

DAV-TECH PLATING, INC. Purchase Order Number and Item Number, Quantity, Lot and/or Serial Numbers, Date of Manufacturing (D.O.M.) / Expiration Date (if applicable) Part Number and Revision as specified on the Purchase Order Signature, Title and Date by an authorized representative of the issuing organization Applicable Specifications and Standard information Material types, sizes, color etc. (where applicable).

Sincerely,

Robert West
Purchasing Manager

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