



## PURCHASE ORDER TERMS AND CONDITIONS

THE FOLLOWING GENERAL TERMS AND CONDITIONS (GTC) APPLY TO ALL PTI PURCHASE ORDERS AND CONTRACTS, UNLESS OTHERWISE NOTED. SPECIFIC PTI QUALITY REQUIREMENTS AND CLAUSES APPLY WHEN NOTED ON THE PO.

**T01:** RIGHT OF ENTRY: THE BUYER AND BUYERS CUSTOMER AND THE CUSTOMERS, OR ANY APPLICABLE REGULATORY AGENCY WILL HAVE THE RIGHT TO ENTER THE SELLERS FACILITY TO PERFORM INSPECTION OR ENSURE COMPLIANCE TO CONTRACT.

**T02:** 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.  
YOU ARE REQUIRED TO FLOW-DOWN TO YOUR SUB-TIERS IF APPLICABLE, THE REQUIREMENTS INCLUDED IN THIS PURCHASE ORDER INCLUDING KEY CHARACTERISTICS.

**T03:** AMENDMENTS TO THIS ORDER OR PTI TERMS AND CONDITIONS SHALL BE SET FORTH IN WRITING, VIA PURCHASE ORDER CHANGE NOTICE, AND/OR REVISIONS TO THE PURCHASE ORDER TERMS AND CONDITIONS. PTI 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).

**T04:** 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.

**T05:** SHIPMENT OF GOODS AND SERVICES UNDER THIS ORDER SHALL BE FOB 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.

**T06:** 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.

**T07:** 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. SUPPLIER AGREES TO COMPLY AND FULFILL ITS OBLIGATIONS UNDER REACH, ODS AND RoHS AND UPDATES THERE TO.

**T08:** PACKAGING AND PROTECTION OF THE PRODUCT SHIPPED SHALL BE IN ACCORDANCE WITH THE PTI PO OR BEST COMMERCIAL PRACTICE TO PROTECT PRODUCT FROM DAMAGE AND/OR DETERIORATION.

**T09:** CANCELLATION SHALL REMAIN THE RIGHT OF THE BUYER AND MAY BE INITIATED AT ANY TIME.

**T10:** TOOLING FURNISHED BY PTI 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 PTI BUYER IN WRITING. PTI SHALL DISPOSITION DAMAGED TOOLING PRIOR TO FURTHER PROCESSING BY THE SELLER. SELLER REWORK OF PTI FURNISHED TOOLING SHALL BE AUTHORIZED IN WRITING.

**T11:** QUALITY ASSURANCE THE SUPPLIER SHALL COMPLY WITH THE PTI QUALITY SYSTEM REQUIREMENTS AS SPECIFIED BY THE PTI 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 PTI REQUIREMENTS (PTI CLAUSES) APPLY WHEN REFERENCED BY PO. THE SUPPLIER IS NOT AUTHORIZED TO PERFORM MATERIAL REVIEW ACTION OF NONCONFORMING MATERIAL. NOTE: THIS CLAUSE DOES NOT APPLY TO CONTRACTS FOR PTI NON-DELIVERABLE GOODS OR SERVICES.  
YOU MUST NOTIFY PTI OF ANY PROPOSED CHANGES REGARDING THE PRODUCT OR PROCESS OR ANY CHANGES TO THE FACILITY LOCATION AND OBTAIN WRITTEN APPROVAL.

**T12:** WHERE ITAR, LTA OR NDA IS REQUIRED AGREEMENTS WILL BE SIGNED AND APPROVED PRIOR TO THE RELEASE OF ANY HARDWARE TO APPROVED SUPPLIER FOR PROCESSING.

**T13:** NONCONFORMANCES UPON ACCEPTANCE OF A PTI PURCHASE ORDER, THE SUPPLIER AGREES THAT PTI IS ENTITLED TO REIMBURSEMENT OF PTI LABOR AND MATERIAL COSTS ASSOCIATED WITH SELLER RESPONSIBLE NONCONFORMANCES AND DAMAGES.

**T14:** SUPPLIER SHALL ADHERE AND COMPLY WITH LOCAL LAWS AND REGULATIONS IN THE LOCALITY IN WHICH THEY RESIDE. THIS INCLUDES ALL LOCAL, STATE, AND FEDERAL LAWS/REGULATIONS IN THE COUNTRY OF ORIGIN.

**T15:** SUPPLIER SHALL ADHERE AND COMPLY WITH ENVIRONMENT, HEALTH, AND SAFETY LAWS IN THE LOCALITY IN WHICH THEY RESIDE, THIS INCLUDES ALL LOCAL, STATE, AND FEDERAL LAWS/REGULATIONS IN THE COUNTRY OF ORIGIN.

**T16:** SUPPLIER SHALL NOT DISCRIMINATE AGAINST RACE, COLOR, SEX, RELIGION, AGE, PHYSICAL DISABILITY, POLITICAL AFFILIATION, OR ANY OTHER DEFINING CHARACTERISTICS AS PROHIBITED BY LOCAL, STATE, AND FEDERAL LAWS/REGULATIONS IN THE COUNTRY OF ORIGIN.

**T17:** ETHICS: EVIDENCE OF CORRUPTION, BRIBES, IMPROPER ADVANTAGE, OR ANY OTHER FORM OF ILLEGAL PRACTICE BY THE SUPPLIER OR ASSOCIATED OPERATIONS WILL TERMINATE ALL RELATIONS WITH PLASMA TECHNOLOGY, INC.

**T18: CONFLICT MINERALS:** THE SUPPLIER SHALL ADHERE AND COMPLY WITH FILING FORM SD UNDER THE CONFLICT MINERALS RULES OF THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT.

**T19:** SUPPLIER SHALL ABIDE BY A CODE OF CONDUCT AND VERIFY COMPLIANCE OF THIS CODE AT THEIR OPERATIONS AND SUBTIER SOURCES.

**T20: CONFIDENTIALITY:** SUPPLIER SHALL ENSURE THE CONFIDENTIALITY OF PLASMA TECHNOLOGY, INC. CONTRACTED PRODUCTS AND PROJECTS UNDER DEVELOPMENT, AND RELATED PRODUCT INFORMATION, AS WELL AS INTELLECTUAL PROPERTY SHARED AS A RESULT OF THE WORKING RELATIONSHIP.

**T21: ACCEPTANCE AND AMENDMENTS:** PURCHASE ORDER CONSTITUTES AN OFFER BY PLASMA TECHNOLOGY, INC. (BUYER) TO PURCHASE FROM SELLER THE GOODS AND/OR SERVICES REFERENCED ON PURCHASE ORDER. ACCEPTANCE OF PURCHASE ORDER IS LIMITED ONLY TO THESE TERMS AND CONDITIONS. MODIFICATION OR WAIVER WILL NOT BE ACCEPTED OR BE VALIDATED WITHOUT THE WRITTEN ACCEPTANCE FROM BUYER. ADDITIONAL TERMS AND CONDITIONS THAT ARE IN ADDITION TO THESE WILL NOT BE ACCEPTED OR BECOME PART OF THE PURCHASE ORDER. ALL DOCUMENTATION PROVIDED WITH PURCHASE ORDER WHICH MAY INCLUDE DRAWINGS, SPECIFICATIONS, AND OTHER DATA ARE CONSIDERED PART OF THE PURCHASE ORDER.

**T22:** AS A SUBTIER SUPPLIER TO PLASMA TECHNOLOGY, INC. AS PART OF CYBERSECURITY YOUR COMPANY SHOULD BE COMPLIANT WITH THE REQUIREMENTS OF DFARS 252.204-7012, DFARS 252.204-7019 AND DFARS 252.204-7020 "NIST SP 800-171 DOD ASSESSMENT REQUIREMENTS".

## QUALITY CONDITIONS

**QC1:** THE SUPPLIER SHALL IMPLEMENT A QUALITY SYSTEM IN ACCORDANCE WITH ISO9001 OR EQUIVALENT.

**QC2:** THE SUPPLIER SHALL IMPLEMENT A QUALITY SYSTEM IN COMPLIANCE WITH SAE AS9100 OR EQUIVALENT.

**QC3:** THE SUPPLIER AND SUPPLIER SUBCONTRACTORS SHALL MEET AND MAINTAIN A CALIBRATION SYSTEM IN COMPLIANCE WITH CALIBRATION SYSTEM REQUIREMENTS OF ISO10012 OR ANSI Z540-1.

**QC4:** PTI SOURCE INSPECTION AND/OR CUSTOMER VERIFICATION IS REQUIRED AT SUPPLIER FACILITY PRIOR TO SHIPMENT. PTI WILL PLACE AN INSPECTION STAMP ON THE SUPPLIER SHIPPER TO INDICATE PTI ACCEPTANCE. CONTACT PTI AT LEAST 48 HOURS PRIOR TO SHIPMENT FROM SUPPLIER FACILITY.

**QC5:** GOVERNMENT SOURCE INSPECTION IS REQUIRED AT SUPPLIER FACILITY PRIOR TO SHIPMENT SUPPLIER SHALL CONTACT PTI AND APPLICABLE GOVERNMENT REPRESENTATIVE TO ARRANGE FOR GOVERNMENT ACCEPTANCE PRIOR TO SHIPMENT FROM SUPPLIER FACILITY.

**QC6:** THE SUPPLIER SHALL PERFORM AND DOCUMENT A COMPLETE FIRST ARTICLE (FAIR) INCLUDING 100% OF B/P OR SPECIFICATION REQUIREMENTS. ONE COPY OF SUPPLIER FAIR WILL BE FURNISHED TO PTI ALONG WITH THE FIRST SHIPMENT FOR THIS PO/CONTRACT.

**QC7:** SUPPLIER SHALL IMPLEMENT AND MAINTAIN A KEY CHARACTERISTIC (KC) CONTROL PROGRAM ACCEPTABLE TO PTI.

**QC8:** THE SUPPLIER SHALL PROVIDE AN INSPECTION REPORT (IR) IDENTIFYING ENGINEERING REQUIREMENTS AND ACTUALS. USE OF SUPPLIER OR PTI INSPECTION FORM IS ACCEPTABLE. ONE COPY THE IR SHALL BE FURNISHED TO PTI REPRESENTING EACH MANUFACTURING LOT.

**QC9:** THE SUPPLIER SHALL PERFORM 100% INSPECTION OF THE PTI NOTED CHARACTERISTICS; A RECORD OF THE INSPECTION RESULTS SHALL BE PROVIDED TO PTI SAMPLING INSPECTION IS NOT ALLOWED.

**QC10:** THE SUPPLIER SHALL PROVIDE AN INSPECTION REPORT (IR) IDENTIFYING ENGINEERING REQUIREMENTS AND ACTUALS. USE OF SAE AS9102 FORM IS REQUIRED. ONE COPY OF THE IR SHALL BE FURNISHED TO PTI REPRESENTING EACH MANUFACTURING LOT.

**QC11:** THE SUPPLIER SHALL COMPLY WITH THE PTI SPECIAL QUALITY REQUIREMENT NOTED (AS DEFINED BY THE PTI QA).

**QC12:** THE SUPPLIER SHALL PROVIDE PARTS AND SERVICES THAT ARE NOT SUSPECT, COUNTERFEIT OR FRAUDULENT AND MAINTAIN AN INTERNAL SYSTEM THAT PREVENTS SUSPECT, COUNTERFEIT OR FRAUDULENT PARTS AND SERVICES. SUPPLIER SHALL PERFORM RISK MITIGATION AS REQUIRED BY AS9100. SUPPLIER SHALL ALSO COMPLY WITH ALL REQUIRED CYBER SECURITY PROTOCOL.

**QC13:** THE SUPPLIER SHALL INSURE THAT ALL INSPECTION PERSONNEL GO THROUGH AN ANNUAL VISION EXAMINATION CAPABLE OF READING STANDARD J-1 ON STANDARD JAEGER TEST TYPE CHARTS AT 12 INCHES MINIMUM FOR NEAR VISION OR EQUIVALENT METHODS.

**QC14:** THE SUPPLIER SHALL INSURE A MINIMUM OF 100 FOOT CANDLES OF ILLUMINATION AT ALL WORKSTATIONS, INSPECTION AREAS AT AN APPROPRIATE DISTANCE. VALIDATION OF LIGHTING REQUIREMENT SHALL BE DONE TWICE A YEAR AND RECORDS OF READINGS MAINTAINED.

**QC15:** THE SUPPLIER SHALL MAINTAIN AN ON-TIME DELIVERY OF 90% AND A QUALITY RATING OF 95%. RATINGS WILL BE BASED ON COMPLIANT PARTS DELIVERED TO PTI PER TERMS ON QUOTATION.

**QC16:** THE SUPPLIER SHALL MAINTAIN A FOD PREVENTION PROGRAM TO PREVENT FOREIGN OBJET DEBRIS OR DAMAGE TO HARDWARE BEING PROCESSED AND PRIOR TO SHIPPING.