



Supplier Terms and Conditions

When any of the following Terms and Conditions is noted on the purchase order, they are to be considered a line item of the purchase order.

P1. ACCEPTANCE OF PURCHASE ORDER

This order, the referenced specifications and standards, and any other written correspondence constitute the entire purchase agreement. This offer shall become a binding contract on terms stated herein when it is accepted either by acknowledgement, performance, or delivery. Any term or condition stated by seller in any prior proposal or in acknowledging or otherwise accepting this order or any agreement or understanding modifying this order shall not become part of the contract or binding upon Buyer unless specifically accepted in writing by Buyer.

P2. PACKAGING AND SHIPPING

Goods will be suitably prepared for shipment to secure the lowest transportation rates (unless a premium method is specified on the face hereof) and will comply with all carrier regulations. No charges are allowed for packing, crating, freight expenses or cartage unless authorized by Buyer.

P3. CHANGES

WFDC is to be notified if the supplier makes any changes to the product ordered, as well as any modifications to the processes used to manufacture the product. No changes whatsoever will be initiated by the Seller without Buyer's written approval. Buyer may at any time, by a written order, make changes within the general scope of this order, in any one or more of the following: 1) drawings, designs, or specifications; 2) method of shipment or packing; 3) place of inspection, delivery or acceptance; 4) reasonable increases in quantities; and 5) reasonable changes in delivery schedules. Seller shall proceed immediately to perform this order as changed. If any such change causes an increase or decrease in the cost of or in the time required for the performance of any part of the work under this order, whether changed or not changed by any such order, an equitable adjustment shall be made in the purchase price or delivery schedule, or both and this order shall be modified in writing accordingly.

P4. INVOICE AND PAYMENT

A separate invoice shall be issued for each shipment. Unless otherwise specified in the order, no invoice shall be issued prior to shipment of goods and no payment will be made prior to receipt of goods and correct invoice.

P5. SHIPMENT AND DELIVERY

Time is of the essence in the performance of this agreement. Shipments or deliveries (as specified in the order) shall be strictly in accordance with the quantities and schedule specified in the order. If at any time it appears Seller will not meet such schedule, Seller shall promptly notify Buyer of the estimated duration of the delay and, if requested by Buyer, ship via air or expedited routing to avoid or minimize delay. Such added costs will be borne by Seller. Except as otherwise provided in this order, the Seller shall be responsible for the supplies covered by this order until they are delivered at the designated F.O.B. point, regardless of the point of inspection, and the Seller shall bear all risks as to rejected supplies.

P6. QUALITY

The following Quality Control Requirements apply to all WFDC issued purchase orders as applicable to the product and/or services being procured: Q1, Q2, Q4, Q5, and Q13. Additional Quality Requirements may

be noted on the purchase order. Quality requirements are described on the WFDC website, wfdcenter.org.

P7. WARRANTY

In addition to any other express or implied warranties, Seller warrants that all items delivered under this order will be merchantable, free from defects in materials and workmanship, that all items will conform to the requirements of this order including but not limited to, the applicable descriptions, specifications, and drawings, and to the extent such items are not manufactured pursuant to detailed designs furnished by Buyer that all items will be free from defects in design and suitable for the purposes intended by Buyer. Seller's liability under this warranty clause shall include, at the Buyer's election, repair, replacement, or return for credit all defective or nonconforming items and the payment of all packing and transportation costs attributable to accomplishment of the above all at Seller's expense.

P8. REJECTION

Buyer shall have the right to reject correction or accept with an equitable adjustment in price, any goods delivered or services performed hereunder which are defective or otherwise not in strict conformance with the requirements of this order. Buyer shall notify Seller of such rejections or other actions and at Buyer's election and Seller's risk and expense such items shall be held by Buyer or returned to Seller for credit, refund, rework, or replacement as directed by written instructions from Buyer. If after being requested by Buyer, the Seller fails to promptly replace or correct any defective article with the contractual delivery schedule Buyer may require a reduction in price which is equitable under the circumstances.

P9. CANCELLATION

This order may be cancelled by Buyer at any time in whole or in part by written notification to Seller. Seller will immediately cease performance under this Order upon receipt of notification of cancellation (unless otherwise specified by Buyer). Seller must submit a cancellation statement to Buyer no later than ten (10) days after the effective date of cancellation. Any reimbursement to Seller must be mutually agreed upon and will not exceed (i) the contract price for completed goods accepted by Buyer and not previously paid for; and (ii) the actual costs incurred by Seller directly in connection with the cancelled Goods that were within lead time at the effective date of cancellation. In no event will Buyer be responsible for any loss of profit or for payment for any work that is or may be rejected upon inspection or does not conform to Buyer's specifications or Order requirements.

P10. ACCESS

WFDC requires the right of access to all facilities involved in the production or processing of product on the PO for WFDC personnel, WFDC customer personnel and any regulatory authorities involved in the product or process(s). This includes verification/inspection of the requirements for the contracted component(s).

P11. MANDATORY FLOW DOWNS

Seller and its subcontractors will comply with all mandatory flow down clauses, whether pursuant to a U.S. Government contract or otherwise, applicable to Buyer for Goods that are subject of this order.

P12. QUALITY RECORDS

Seller shall maintain, and have available on a timely basis, quality records traceable to the conformance of product/part numbers delivered to Boeing. Seller shall make such records available to regulatory authorities and Boeing's authorized representatives. Seller shall retain such records for calendar year + 10 years from the date of shipment under each applicable order for all product/part numbers unless otherwise specified on the order. At the expiration of such period set forth above and prior to any

disposal of records, Seller will notify WFDC of records to be disposed of and WFDC reserves the right to request delivery of such records. In the event WFDC chooses to exercise this right, Seller shall promptly deliver such records to WFDC at no additional cost on media agreed to by both parties.

P13. BASIC WORKING CONDITIONS AND HUMAN RIGHTS

Buyer is committed to providing a safe and secure working environment and the protection and advancement of basic human rights in its operations. Any material violation of Seller of applicable laws relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, of the countries in which Seller is performing work under this order may be considered a material breach of this order for which Buyer may elect to cancel any open orders between Buyer and Seller, for cause, in accordance with the provisions of this order, or exercise any other right of Buyer for an Event of Default under this order. Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for work under this order.

P14. CODE OF CONDUCT

Seller shall comply with the following code of conduct:

- 1) Personal discounts or other benefits including but not limited to gifts, loans, bribes, kickbacks, and entertainment not available to the public or all employees of Buyer shall not be offered to any employees of Buyer by Seller.
- 2) Doing business with companies owned or managed by family members or close friends of any employees of Buyer is strictly prohibited unless the relationship is disclosed in advance of those involved in making the decision.
- 3) If Seller deals with foreign countries or foreign suppliers, Seller must make sure it understands and follows all laws and regulations regarding import and export compliance, boycotts, and embargos.
- 4) Using, or conveying to others, any material information learned about Buyer or other companies that would reasonably be expected to affect the price of a security or would influence a reasonable person's decision to buy or sell a security if disclosed before it is made public, is prohibited and may be in violation of insider trading laws.
- 5) If Seller becomes aware of any unethical behavior of Buyer, Seller must promptly disclose the situation in writing to an officer of Buyer's company.