

Duonetics Corporation
Purchase Order Terms and Conditions

<p>THE FOLLOWING GENERAL TERMS AND CONDITIONS (GT&C) APPLY TO ALL DUONETICS CORPORATION PURCHASE ORDERS AND CONTRACTS, UNLESS OTHERWISE NOTED. SPECIFIC DUONETICS CORPORATION QUALITY REQUIREMENTS (DQR) CLAUSES APPLY WHEN NOTED ON THE PO.</p>	<p>Revision & Date: Rev. A (Date: 7/10/17)</p>
GT&C	<p>RIGHT OF ENTRY. The buyer and buyer's customer, and their customers, or any applicable regulatory agency will have the right to enter the seller's facility to perform inspection or ensure compliance to the contract.</p>
GT&C	<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>
GT&C	<p>AMENDMENTS to this order, or DUONETICS CORPORATION Terms and Conditions shall be set forth in writing, via Purchase Order Change Notice, and /or revisions to the Purchase Order Terms and Conditions. DUONETICS CORPORATION will consider seller's 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>
GT&C	<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>
GT&C	<p>SHIPMENT of goods and services under this order shall be FOB as set forth on the face of the order. Seller shall follow buyer's instructions regarding method of shipment, except where buyer has so stated on the face of the order.</p>
GT&C	<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 seller's 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>
GT&C	<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>
GT&C	<p>PACKAGING AND PROTECTION of the product shipped shall be in accordance with the DUONETICS CORPORATION P/O or best commercial practice to protect product from damage and/or deterioration.</p>
GT&C	<p>CANCELLATION shall remain the right of the buyer and may be initiated at any time.</p>
GT&C	<p>TOOLING furnished by DUONETICS CORPORATION 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 DUONETICS CORPORATION buyer in writing. DUONETICS CORPORATION shall disposition damaged tooling prior to further processing by the seller. Seller rework of DUONETICS CORPORATION furnished tooling shall be authorized in writing.</p>
GT&C	<p>QUALITY ASSURANCE. The supplier shall comply with the DUONETICS CORPORATION Quality System requirements as specified by the DUONETICS CORPORATION 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 DUONETICS CORPORATION Quality Requirements (DQR clauses) apply when referenced by P/O. The supplier is not authorized to perform Material Review action of nonconforming material. <u>Note:</u> This clause does not apply to contracts for DUONETICS CORPORATION non-deliverable goods or services.</p>
GT&C	<p>NONCONFORMANCES Upon acceptance of a DUONETICS CORPORATION Purchase Order, the supplier agrees that DUONETICS CORPORATION is entitled to reimbursement of DUONETICS CORPORATION labor and material costs associated with seller responsible non-conformances and damages.</p>
GT&C	<p>RECORD RETENTION All suppliers shall maintain documents for not less than 10 years or the stated PO requirements & shall allow access to such records to Duonetics and its customers.</p>
GT&C	<p>CHANGES IN PRODUCT & PROCESSES All suppliers will notify DUONETICS CORPORATION of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval.</p>
GT&C	<p>The supplier shall maintain FOD Prevention program in accordance with NAS-412, Foreign Object Damage / Foreign Object Debris Prevention</p>
GT&C	<p>All suppliers agree and shall ensure that Counterfeit Parts are not delivered and shall take every precaution to prevent such an occurrence.</p>
GT&C	<p>All supplier documents shall reference pertinent Duonetics Corporation Purchase Order on documentation.</p>
GT&C	<p>Vendors supplying materials and hardware (electronic components included) must have a Counterfeit Control program. Suspect counterfeit parts are NOT to be shipped to Duonetics Corporation.</p>
DQR 2	<p>The supplier shall implement a Quality System in compliance with ISO9001 or SAE AS9100 or applicable industrial standard.</p>
DQR 3	<p>The supplier and supplier subcontractors shall meet and maintain a Calibration System in compliance with Calibration System Requirements of ISO10012 or ANSI Z540.3-2006, ISO9001-ISO17025.</p>
DQR 4	<p>DUONETICS CORPORATION Source Inspection and/ or Customer Verification <u>may be required</u> at supplier facility prior to shipment. Please refer to Duonetics Purchase Order requirements prior to shipment. If required, DUONETICS CORPORATION will place an Inspection Stamp on the supplier shipper to indicate DUONETICS CORPORATION acceptance. Contact DUONETICS CORPORATION at least 48 hours prior to shipment from supplier facility.</p>
DQR 5	<p>Government Source Inspection <u>may be required</u> at supplier facility prior to shipment. Supplier shall contact DUONETICS CORPORATION and applicable Government Representative to arrange for Government acceptance prior to shipment from supplier facility.</p>
DQR 6	<p>If required per the Duonetics Purchase Order, the supplier shall perform and document a complete First Article Inspection Report (FAIR), per the requirements of AS9102, including 100% of ALL engineering and specification requirements. One copy of supplier FAIR will be furnished to DUONETICS CORPORATION along with the first shipment for this PO/Contract.</p>

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DQR 7	The supplier shall implement and maintain a Key Characteristics (KC) control program acceptable to DUONETICS CORPORATION.
DQR 8	If required the supplier shall provide an Inspection Report (IR) identifying engineering requirements and actuals. Use of AS9102 Form 3 or equivalent, supplier or DUONETICS CORPORATION inspection form is acceptable. One copy of the IR shall be furnished to DUONETICS CORPORATION representing each manufacturing lot.
DQR 9	If required the supplier shall perform 100% inspection of all engineering requirements, a record of the inspection results (AS9102 Form 3 or equivalent) shall be provided to DUONETICS CORPORATION with every delivery, sampling inspection is not allowed.
DQR 10	The supplier shall comply with the DUONETICS CORPORATION Special Quality Requirement noted (As defined by DUONETICS CORPORATION QA):
DQR 11	When work accomplished in performance of this Purchase Order is directly related to a Lockheed Martin Aeronautics Company P/O, it must be accomplished in accordance with the process specification on the Purchase Order and Lockheed Martin Aeronautics Company Appendix QJ.
DQR 12	When work accomplished in performance of this Purchase Order is directly related to a Boeing P/O and in reference to D1-4426, it must be accomplished in accordance with D1-4426 User instructions and Appendix D.
DQR 13	Duonetics Corporation must be notified of any nonconforming material/product and approval from Duonetics Corporation must be obtained prior to delivery.
DQR 14	Vendor MUST notify Duonetics Corporation of any nonconforming Material or Product discovered after delivery to Duonetics Corporation within 48 Hrs. of discovery. Notification MUST include details of Nonconformance, Quantity delivered, Containment, Duonetics Corporation PO number and vendors certification or report number.
DQR 15	Materials and hardware to be used for NASA, SpaceX, and other space programs MUST have complete traceability from raw material stage to all subsequent operations that change the product and transfer of ownership through vendor supplying goods to Duonetics Corporation.