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## B&B Socket Products

### TERMS AND CONDITIONS OF PURCHASE ORDER

- 1. TERMS AND CONDITIONS** — No Terms and Conditions other than the terms and conditions set forth in the Purchase Order (directly or by reference), state, federal or other regulations and this B&B Socket Products. Execution and delivery of an order shall not constitute such specific acceptance.
  
- 2. Compliance with Laws** — Seller shall comply with all applicable State, Federal and local laws, rules and regulations, including but not limited to those set forth in the provisions of U.S. Affirmative Action laws.
  
- 3. Affirmative Action**—Seller shall comply with the applicable provisions of US Affirmative Action Laws, the terms of which are incorporated by reference.
  
- 4. Warranty** — Seller warrants the goods and materials furnished under this order for workmanship, material and compliance with all specifications. Seller warrants that all certifications supplied under this order are of original condition and have not been modified in any way.
  
- 5. Delivery Schedule** —Seller shall not make material commitments or production arrangements in excess of the amount, or in advance of the time necessary to meet Purchaser's requirements. B&B Socket Products will not be liable for damages due to delay of delivery beyond its reasonable control. Seller shipments 30 days or more prior to order schedule date will be returned to Supplier for shipment on the schedule date, or payment will be made based on the B&B Socket Products' requested delivery date, not the date of the Supplier invoice at the sole discretion of B&B Socket Products.
  
- 6. Liability** — Seller agrees that the relationship established by this order constitutes him as an independent contractor and that no tax assessment or legal liability of the Seller or of his agents or employees becomes, by reason of this order, an obligation of the Purchaser.
  
- 7. Changes** — Purchaser shall have the right to make changes in this order, but no additional charge will be allowed unless specifically authorized by Purchaser in writing. If such change affects delivery or the amount to be paid by the Purchaser, Seller shall notify Purchaser immediately, and negotiate an adjustment in accordance with this Changes Clause.
  
- 8. Termination** — Purchaser may terminate in part or in whole, work under this order at no charge except for those limited to the material in process at the time of the termination of the order and within the Seller's normal manufacturing cycle needed to meet the Purchaser's delivery schedule.

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**9. Quality Assurance** — The following sections establish the minimum requirements when providing material and/or services to B&B Socket Products.

**Section A** — Products covered by a purchase order, and systems or special processes used to generate said product(s) are subject to evaluation and verification inspection by B&B Socket Products and all government and/or customer representatives to determine their effectiveness in supporting quality requirements established above and to detailed drawing and specifications. When required by the purchase order, the Supplier shall use customer-designated or approved external providers, including process sources (e.g., special processes).

**Section B** — Records of inspections and tests directly related to acceptance of products must be maintained by Supplier and available upon request by either B&B Socket Products or its Customer(s). Such records shall be available for inspection and review for period not less than 10 years (20 years if designated for “Space”) following delivery of product to B&B Socket Products.

**Section C** — When required by the purchase order, a Certificate of Conformance with authorized signatures must accompany each shipment. Conformance statement must indicate materials meet all purchase order and specification requirements and must reference the applicable B&B Socket Products purchase order number, part number, serial number (as applicable) and quantity represented. The Certificate of Conformance must be signed by an authorized representative of the Seller. A manufacturer’s Material Certification must accompany each shipment when required by the Purchase Order. All Certifications must be attached to the shipping documents or incorporate sufficient information to match it with the pertinent purchase order and specific shipment. Certifications which are not in compliance with the requirements of the purchase order shall be deemed sufficient cause for rejection and return of product. When required by the purchase order, the Supplier shall provide test specimens for approval, inspection/verification, investigation, or auditing.

**Section D** — It is B&B Socket Products’ policy to reject products and services that do not conform to contractual and specification requirements unless accepted in writing by B&B Socket Products. The Supplier must notify B&B Socket Products of nonconforming processes, products, or services and obtain approval for their disposition. The Supplier must notify B&B Socket Products of their intent to ship known non-conforming material prior to shipment to B&B Socket Products and obtain written authorization to ship same. Request for deviation and waivers shall be submitted to B&B Socket Products in writing by Supplier.

**Section E** — All requirements cited on purchase order and applicable attachments shall be flowed down to sub-tier suppliers.

**Section F** — Seller shall maintain a quality management system acceptable to B&B Socket Products and, when applicable, B&B Socket Products’ customer. Objective evidence shall be on file verifying that such a quality system exists and is being maintained. Procedures and records shall be on file and available for examination by authorized B&B Socket Products personnel. Seller shall control sub-tier procurements to the extent necessary to ensure conformance to the quality requirements of the purchase order, including flowdown to its supply chain the applicable requirements listed here, including customer requirements.

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**Section G** — Supplier performance will be rated based on product conformities, on time shipping and current state of the suppliers' QMS. If any industry standard certification, and or special process certification expires or gets suspended, the supplier shall immediately notify B&B Socket Products. Vendor must maintain a Quality Level  $\geq 95\%$  and an OTD level  $\geq 95\%$ . If levels drop below target, supplier will be notified and may be placed on conditional status or disapproved if not corrected

**Section H** — Supplier shall take an active role in the elimination of all possible shipments containing counterfeit parts. Supplier shall only supply parts which are traceable to the actual manufacturer.

**10. Rejections** — Products found to be defective in material, workmanship, or otherwise not in conformity with the requirements of this order shall be rejected and returned to supplier. Purchaser, in addition, to any other rights which it may have under warranties and otherwise, may reject and return such goods (not to be replaced) without authorization from Seller.

**11. Acceptance**—Any verbal and/or written acknowledgment of this purchase order, the shipment of any material, or the furnishing of any services pursuant to the purchase order shall constitute acceptance by the Supplier of the expressed terms and conditions stated in this document or referenced on the face hereof.

**12. Foreign Objects Debris/Damage** – All shipments, cartons and packages shall be free of foreign objects, debris or damage.

**13. Ozone Depleting Substances** – Parts/products supplied to B&B Socket Products shall be free from 'Ozone Depleting Substances' and/or may not have been manufactured with 'Ozone Depleting Substances', unless agreed upon in writing prior to shipment to B&B. Parts/products which contain and/or were manufactured with 'Ozone Depleting Substances', must be clearly marked with this data, both on the outside container, and the packing slip.

**14. Hazardous Materials** – Hazardous materials shall not be supplied to B&B Socket Products, Inc. unless previously agreed upon in writing. All such hazardous materials must be clearly identified as hazardous at the time of bid, as well as on 3rd party shipping documents, outside containers, packing slips/certifications/invoices, and other pertinent documentation. Supplier is responsible for identifications/actions as listed above, as well as meeting all other state, local, and federal regulations (including but not limited to OSHA regulations), regarding said materials, dangers, handling requirements, safety procedures, transportation and any other criteria governed by said agencies/organizations/entities. Supplier shall provide the appropriate MSDS (Material Safety Data Sheets) with the product to which it is applicable. Additionally, seller shall provide shelf life certification, manufacturer's batch/lot number, and date of manufacture on every item/shipment/lot of hazardous material or products containing hazardous material. Failure to meet any of these requirements will be cause for rejection and return at supplier expense.

**15. RoHS (Reduction of Hazardous Substances)** - Directive 2002/95/EC of the European Parliament and the Council of 27 January 2003 - RoHS compliant parts/products are required unless specifically authorized in writing or other referenced terms or conditions. All parts/products which are supplied in compliance with RoHS, must be accompanied by a certification stating same, and must be packaged separately from any parts/products/lots which are not in compliance.

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**16. REACH (Registrations, Evaluation, Authorization & Restriction of Chemicals)**

**Directive** - REACH compliant parts/products are required unless specifically authorized in writing or other referenced terms or conditions. All parts/products which are supplied in compliance with REACH, must be accompanied by a certification stating same, and must be packaged separately from any parts/products/lots which are not in compliance.

**17. Right of Entry** - B&B Socket Products' personnel, our customers, and regulatory agencies shall have the right of entry to any place necessary to determine and verify the quality of contracted work, records, and material.

**18. Supplier Awareness** – Person(s) affecting this purchase order shall be qualified and aware of their contribution to product or service conformity, product safety and importance of ethical behavior.

**19. Material, Physical/Chemical Certifications**

Supplier shall provide material, physical and chemical certifications with actual physical and/or chemical results with each shipment as required by the specification. Original mill cert not required, if all conditions for actual results are met. The certifications must meet the following requirements:

- Be on company letterhead.
- Contain signature and title of an authorized quality representative.
- Include specification(s) and revision level(s) used to produce the order.
- Certify in accordance with applicable purchase order, contract, drawing and specifications requirements.

In addition to the above:

- If the shipment contains multiple processed lots within each manufactured lot, each processed lot must be segregated and identified to maintain complete traceability in each shipment. For instance, a shipment containing two heat-treated lots, each heat-treated lot shall be segregated and identified to maintain traceability in the shipment.

This does not include vendor proprietary or catalog items.

- Certifications may be on same page as Manufacturer's C of C if appropriate for the Manufacturer's procedures.

Note 1: Material (Chemical & Physical properties), and process certifications are not required with the shipment on Ball Bearing, Roller Bearing, and Pin Bearing commodities.

Note 2: Certifications shall be made available within 48 hours of specific request.

Note 3: Material certifications may be substituted in lieu of a test report if the product is non-metallic. Material certifications submitted in lieu of test reports shall contain the batch number and cure date.

Checked by:	R. L. Smernoff	Date:	3/24/2009
Revision 1	A. N. Grandbois	Date:	8/12/2009
Revision 2	A. N. Grandbois	Date:	8/05/2010
Revision 3	R.C. Huke	Date:	4/9/2012

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Revision 4	R.C. Huke	Date:	9/14/2012
Revision 5	A.N. Grandbois	Date:	9/24/2012
Revision 6	A.N. Grandbois	Date:	10/09/2015
Revision 7	R.C. Huke	Date:	1/4/2016
Revision 8	A.N. Grandbois	Date:	6/20/18
Revision 9	D. Carreon	Date:	8/15/18
Revision 10	K. Torrea	Date:	8/29/19
Revision 11	K. Torrea	Date:	9/20/19
Revision 12	K. Torrea	Date:	9/17/20

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