

All Pompano Precision Products purchase orders shall contain a link to Pompano Precision Products' Terms & Conditions at, www.pompanoprecision.com/suppliers
Please check this link to ensure you are working from the latest revision.

1. Acceptance

a) The purchase order becomes a binding contract in the terms set forth herein when it is accepted either by acknowledgement or by performance.

2. Quality System

a) The Seller shall have a Quality Management System in place to meet the intent of one of the following quality standards: ISO 9001, AS9100D, or an alternate quality system approved by Pompano Precision Products, or alternatively approved by Pompano Precision Products on a conditional basis subject to quality and delivery performance monitoring.

b) Seller shall maintain an effective Quality System as approved in "a" above.

c) Seller's documented quality system shall provide for the review of this PO to ensure that quality requirements are incorporated into manufacturing planning, and inspection and test instructions, as applicable, to assure compliance with this PO.

d) Responsibility for control of quality shall be clearly designated within the Seller's organizational structure.

e) The Quality System shall provide for placement and training of inspection and other personnel who have an effect upon or are responsible for determining product quality. Formal Certification of personnel for processes, materials, or other operations requiring special skills or training shall be maintained.

3. Inspection - Right of Entry

a) Seller's may be subject to inspection or audit by Pompano Precision Products, it's Customers, or a regulatory agency during normal business hours.

b) Seller agrees to permit Pompano Precision Products access to their facility for the purpose of inspection, in-process inspection, audits, and system surveillance of any items or work in progress for production of such items, as part of verification of conformance to the requirements of this PO.

c) Seller shall provide and obtain access to any and all facilities, including those facilities of Seller's external providers, where work on Items is being performed or is scheduled to be performed under this Purchase Order ("PO").

4. Government Approval

a) If this agreement requires either party to obtain government-approved export authorization to facilitate activities and obligations set forth under this agreement, the Parties shall mutually exercise reasonable efforts to support the preparation and management of the authorization in full compliance with applicable government regulations.

b) The parties shall without delay respond to requests for supporting documentation, including clarifying questionnaires or any other requested information necessary to secure government authorization.

5. Control of Processing Nonconforming Material and Corrective Action

- a) Seller shall establish controls to prevent the use of nonconforming materials when conforming materials are required.
- b) Seller shall implement and maintain a system, which provides for identification, documentation, segregation and disposition of nonconforming material; the prevention of use of suspected unapproved, unapproved, and counterfeit parts, and shall ensure effective, positive corrective action is taken to prevent, minimize, or eliminate nonconformance.
- c) Seller shall maintain records of all nonconforming material, dispositions, assignable causes, corrective actions, and effectiveness of corrective actions for the period specified in this PO.
- d) Seller shall evaluate each nonconformance for its potential to exist in previously produced or delivered Items. If a nonconformance exists, Seller shall notify Pompano Precision Products in writing, within 24 hours.
- e) Pompano Precision Products shall forward requests for corrective action, if required, to Seller when unsatisfactory performance by Seller and/or any of its subcontractors is detected.
- f) Seller shall respond to all Pompano Precision Products requests for corrective action. When requested, Seller shall provide on Seller's company letterhead, a response showing actions taken within their process to correct such nonconformity and action taken to preclude recurrences.
- g) If Seller does not respond to Pompano Precision Products' request for corrective action, within 30 days of receipt of the nonconforming item(s), the Seller shall be deemed to have accepted responsibility for the identified nonconformance. Payment under this PO may be withheld pending receipt and approval of the corrective action by Pompano Precision Products.

6. Inspection – Quality Control

- a) Final Inspection - Final inspection data shall be maintained on file. Pompano Precision Products may request this data with each shipment.
- b) First Article Inspection - Pompano Precision Products may request a first article to inspect prior to processing parts/process. First article documentation shall be maintained on file.
- c) Sample Retention - The seller shall maintain required test coupons or samples that are traceable to the lot/batch that they were processed with. The test coupons or samples will be submitted to Pompano Precision Products when requested.
- d) Statistical Process Control (SPC) - The seller is encouraged to use SPC as defined in ANSI Z1-1 to reduce the variation within processes.
- e) Sampling Plan - It is acceptable to use a sampling plan for inspection. The lot acceptance is C=0. The seller shall be able to satisfactorily justify sampling upon request.

7. Monitoring and Measuring Equipment

- a) Monitoring and Measuring equipment shall be controlled in order to ensure product or processes verified or validated with the equipment conforms to specified requirements.
- b) Monitoring and Measuring equipment shall be calibrated at specified intervals, prior to use, against measurement standards traceable to NIST.

8. Changes

a) Seller shall notify Pompano Precision Products of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain Pompano Precision Products' approval.

9. Control of Foreign Object Debris (FOD)

a) The seller shall implement a FOD program including establishing procedures to implement into the quality management system.

b) The FOD program shall include as a minimum:

- I. Practices to detect foreign objects in order to eliminate the cause which can include, but is not limited to burrs, blast media, grind equipment, manufacturing chips, packaging dust/debris, cleaning solution, abrasives, airborne debris.
- II. Ensure food and drink are removed from the final cleaning and part packaging area.
- III. A review of all processes to ensure cross contamination does not occur from processes next to other processes.
- IV. A training program is established for the detection and removal of FOD. Training records shall be maintained on file.
- V. Removing items that are not necessary for the manufacture/process of the immediate item and ensure are not in the work area.

10. Records

a) Seller shall maintain complete records of all manufacturing, inspecting and testing in connection with this PO.

b) Upon request Seller shall provide to Pompano Precision Products, it's Customers, and/or appropriate regulatory agencies the associated records, reports, specifications, drawings, inspection and test results and other documentation applicable to this PO.

c) Seller shall ensure records are maintained.

- I. Records may be stored in electronic (if backed up regularly using a documented process) or hardcopy (if protected from damage) format.
- II. The seller is responsible for ensuring that records remain legible, readily identifiable and retrievable.
- III. The seller is responsible for the transfer of records to Pompano Precision Products in the event that the seller will no longer be in operation or no longer performing the process.

d) Records shall be available for a minimum of the following intervals unless otherwise specified:

- I. A period as specified by the Purchase Order.
- II. Ten (10) years for complete records of all manufacturing, inspecting, and testing ("manufacturing travelers, inspection and test records, C of C's, material certs, etc.)
- III. Ten (10) years for Quality System records (internal audits, management reviews, supplier surveys, etc.)
- IV. The period specified for time sensitive products (shelf life).

11. Sub-tier Supplier – Flow Down Requirements

- a) Seller shall require control of quality at all points necessary to assure conformance to this PO's requirements, whether performed by Seller or by Seller's sub-tiers.
- b) Sellers shall flow down all Pompano Precision Products PO requirements to all their suppliers, and to their sub-tiers. Seller and their sub-tiers are responsible for compliance with all Pompano Precision Products' requirements specified on the PO.
- c) Seller shall ensure, when required that Pompano Precision Products' customers designated or approved external providers, including process sources are used.

12. Packaging and Handling

- a) All items of the purchase order shall be suitably prepared and packed for transport as designated or appropriate to the order. Pompano Precision Products will not allow extra charges for packaging, cartage or other fees unless stated in the order.
- b) Where known, or where Seller is the design authority for the Technical Data, Goods, or Services that are subject to this agreement, Seller shall provide Pompano Precision Products with the application Harmonized Tariff Schedule Number (HTS) code, or the Export Control Classification Number (ECCN).

13. Delivery

- a) The Seller will be expected to confirm the delivery date that is attainable.
- b) Pompano Precision Products will place a requested delivery date on the PO.
- c) Sellers of raw materials shall acknowledge, in writing, acceptance of a purchase order.
- d) After confirming a delivery date, if it appears that this commitment will not be met, the seller shall inform Pompano Precision Products of the proposed delay. Please do this as soon as there is awareness of possible delay.

14. Certificate of Compliance

- a) Each shipment requires a certificate signed by the Seller's Quality Representative, confirming materials furnished to Pompano Precision Products are in conformance with applicable requirements of the purchase order.
- b) Where applicable, any special processes or tests shall be reference on the certificate.
- c) Raw material certificates, when applicable shall include applicable class, grade or method used to meet specified requirements.

15. Ethics Requirements

- a) All Sellers to Pompano Precision Products are expected to conduct their affairs in accordance with the following principles:
 - I. Obedience to the law,
 - II. Always acting in good faith,
 - III. Maintaining a healthy workplace built on trust, mutual respect, and integrity
 - IV. Communicating openly, respectfully, and effectively
- b) As an international organization, Pompano Precision Products recognizes that inherent differences with regards to law, politics, economics and culture exists within each country we chose to conduct business with. We are committed to conducting our affairs in each country fairly and humanely. We expect this from all our suppliers as well.

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- c) All Sellers to Pompano Precision Products are prohibited from engaging in corrupt practices such as bribery, extortion, espionage, fraud, and theft.
- d) Additional Awareness Requirements - Sellers shall ensure that their employees are aware of:
 - I. Their contribution to product or service conformity,
 - II. Their contribution to product safety, and
 - III. Their contribution to the importance of ethical behavior.
- e) Acceptance of any Pompano Precision Products Purchase Order constitutes acceptance of and a promise to adhere to the terms and conditions thus mentioned.

16. Counterfeit Materials Policy

- a) All sellers to Pompano Precision Products shall comply with Pompano Precision Products' counterfeit material policy.
- b) Pompano Precision Products understands there is a worldwide problem concerning counterfeit components entering the supply chain and is committed to sourcing components and materials from companies that share our values.
- c). Discovery of counterfeit parts will result in the seller becoming disapproved from future business with Pompano Precision Products.
- d) Where components are obsolete or allocated/hard to find, Pompano Precision Products will purchase only from known and reputable sources.
- e) In an effort to mitigate our exposure to counterfeit components, the purchasing directive is to procure products only through customer approved suppliers, when preferred approved suppliers exist.

17. Conflict of Minerals Policy

- a) All sellers to Pompano Precision Products shall comply with Pompano Precision Products' conflict of minerals policy. Discovery of violating this policy will result in the seller becoming disapproved from future business with Pompano Precision Products.
- b) Pompano Precision Products will only knowingly purchase DRC Conflict Free material for all of our customers' requirements.
- c) DRC Conflict Free is defined to mean products that do not contain Conflict Minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo.
- d) Conflict Minerals are defined as those materials which include the following elements:
 - I. Cassiterite (Tin)
 - II. Wolframite (Tungsten)
 - III. Coltan (Tantalite)
 - IV. Gold
- e) Pompano Precision Products and its suppliers will only knowingly purchase materials from Conflict Free Smelters to eliminate the risk of conflict materials entering into its supply chain by implementing the following steps:
 - I. Continued engagement with our raw material suppliers to conduct reasonable due diligence of products purchased
 - II. Inclusion of conflict mineral compliance language in Pompano Precision Products' terms and conditions referenced in purchase orders.

18. Safety Policy

- a) All sellers to Pompano Precision Products shall comply with Pompano Precision Products' safety policy.
- b) Pompano Precision Products is dedicated to complying with all federal, state, and local environmental requirements and occupational health and safety laws and regulations. It is our goal to be an industry leader in environmental, health, and safety performance. Pompano Precision Products expects the same commitment to safety in its suppliers.
 - I. Pompano Precision Products is committed to implementing, developing, and improving strategies, management systems and processes to ensure all our manufacturing activities uphold the highest level of safety and environmental protection as well as the prevention of wasteful, inefficient operations, and damage to property and equipment.
 - II. Each individual from top management to machinist is responsible for the safety and health of those persons in their charge and coworkers around them. By accepting mutual responsibility to operate safely, we will contribute to the wellbeing of all personnel within the Pompano Precision Products organization.
- c) Discovery of violating this policy will result in the seller becoming disapproved from future business with Pompano Precision Products.