

JMT Inc.
GENERAL PURCHASE ORDER PROVISIONS
PO Terms & Conditions - Quality Clauses

I) **CERTIFICATE OF CONFORMANCE (C OF C):** A Certificate of Conformance attesting compliance to all related specifications and/or general requirements must accompany services and/or goods procured under this purchase order.

II) **SPECIFICATIONS ON C OF C:**

- A) If the spec requested has been superseded, the supplier is authorized to use the superseding specs without prior approval; however, the C of C must reflect the spec used and why it is not the spec requested.
- B) On the C of C, name the spec used even if no specification is detailed on our documents.

III) **INSPECTION & TEST RECORDS:** Inspection & test records of any process that are performed under the purchase order are to be documented.

IV) **PART IDENTIFICATION & TRACEABILITY:**

- A) Each article of the purchase order shall have identification applied at the time of shipment. The method of identification shall be of a nature, which is secure, yet can be easily removed by personnel without mechanical means.
- B) The minimum information that the identification should contain shall be:
 - 1) The purchase order number.
 - 2) The quantity of the pieces being delivered.
- C) Do not mix unlike parts.

V) **OPTIONAL SOURCE INSPECTION:**

- A) JMT reserves the right to inspect, at supplier's facility, any product under the purchase order. JMT shall contact supplier to confirm or waive source requirements. In the event that contact has not been made between JMT and supplier before time of completion the supplier is authorized to ship product, provided that all other requirements were met.

JMT Inc.
GENERAL PURCHASE ORDER PROVISIONS
PO Terms & Conditions - Quality Clauses

B) All pertinent customers of JMT (including Government representatives) reserve the right to be present during any source inspection performed per this clause.

VI) RIGHT OF ENTRY: JMT and their customers, and authorities (including Government representatives) reserve the Right-Of-Entry into all facilities involved with this PO to determine and verify quality of work at any and all stages of production. All information, including digital information, records, logs, inspection tests and any other data are subject to review by JMT and their customers.

VII) SUPPLIER SURVEY: The supplier's Quality Assurance system is subject to an initial survey and approval by JMT and/or their customers. Subsequent review of supplier and/or processors may be conducted before or after issuance of purchase order. Deficiencies identified as a result of a survey shall be noted and follow-up activities taken to ensure proper corrective actions have been implemented.

VIII) SUB-TIER SUPPLIERS: Supplier is responsible for the quality and conformance of all material, supplies and services not provided to supplier by JMT

IX) NON-CONFORMING PRODUCT:

A) Any deviation from product specifications or drawing requirements shall be documented and submitted to JMT in a timely manner for disposition and shipping instructions.

B) Supplier must notify JMT if they become a disapproved source.

X) PROPRIETARY AGREEMENT:

A) All drawings, specifications, technical information and electronic definition used in conjunction with purchase order are considered confidential and proprietary to JMT and its customers.

B) Unauthorized reproduction of media is not permitted in any form other than that intended to produce product and/or services directly associated with purchase order.

XI) ITAR COMPLIANCE: Some of JMT work is controlled under International Traffic in Arms Regulations. When any document (PO, blueprint, etc.) references "ITAR" or

JMT Inc.
GENERAL PURCHASE ORDER PROVISIONS
PO Terms & Conditions - Quality Clauses

“International Traffic in Arms Regulations” the supplier is required to comply with the law.

- 1) JMT interprets the law as mandating that no “foreign person” handles the parts or has access to the technical data (PO, blueprint, etc.).
 - For the purposes of ITAR compliance, we interpret a “foreign person” as anyone who is neither a US citizen nor a US permanent resident (green card holder).
- 2) It is the supplier’s responsibility to conform to the law, rather than our interpretation.

XII) ACCEPTANCE OF PRODUCT OR SERVICE: The signature of a JMT employee on a packing slip *does not* signify acceptance of the work done. The receiving employee lacks the knowledge and authority to verify that the material is appropriate.

XIII) CONFLICTING REQUIREMENTS: If a conflict exists between any two requirements, including those on this document, contact us for clarification.

XIV) DEFINITION OF SUPPLIER: The word supplier is used in this document with the definition of an external supplier organization in ISO 9000, which is a “producer, distributor, retailer or vendor of a product, or provider of a service or information.”

XV) RETENTION OF RECORDS: Supplier shall retain all viable quality and/or test records in accordance with this order and make readily available to JMT or its customer, upon request for a period of no less than seven (7) years after date of delivery, unless otherwise stated.

XVI) PRODUCT / PROCESS CHANGE: Supplier shall notify the organization of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval, and flow down to the supply chain the applicable requirements including customer requirements.

XVII) NON-CONFORMING PRODUCT: supplier shall notify the organization of nonconforming product, obtain organization approval for nonconforming product disposition.

JMT Inc.
GENERAL PURCHASE ORDER PROVISIONS
PO Terms & Conditions - Quality Clauses

XVIII) ACCEPTANCE OF TERMS & CONDITIONS: Acceptance of a PO signifies acceptance of these terms & conditions.

XIX) COUNTERFEIT PRODUCT/MATERIAL: Suppliers shall assure that all products provided to Company are genuine and no counterfeit product shall be used or shipped. Seller shall notify Company immediately if seller suspects or is aware they have furnished counterfeit goods and promptly replace the counterfeit parts with genuine parts. Supplying counterfeit goods to Company will hold the seller responsible for all costs associated with the replacement of said counterfeit parts.

XX) Employee Awareness: Supplier is required to ensure that personnel are aware of:

1. Their contribution to product or service conformity
2. The importance of ethical behavior.
3. Their contribution to product safety

XXI) MATERIAL TEST REPORTS AND TRACEABLE DOCUMENTATION

All deliverable products shall have a material test report containing the chemical composition and physical properties of raw materials used in fabrication of products under purchase orders. These records must objectively maintain traceable documentation to final product, including all heat lot, serial numbering and record retention throughout the entire manufacturing process.

XXII) DFARS 252.225-7014 Preference for Domestic Metals.

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Specialty metals incorporated in articles delivered in fulfillment of this contract shall be melted in the United States unless allowed otherwise by DFARS 252.225-7014 Alternate I. The following Defense Federal Acquisition Regulation Supplement (DFARS) requirement applies to this agreement, and is binding on supplier and each of its subcontractors: 252.225-7014 Preference for Domestic Specialty Metals (Alternate I).

Access to the applicable DFARS can be achieved via the website below: <http://www.acq.osd.mil> The supplier shall include the terms of this clause in every subcontract or purchase order awarded under this contract in accordance with DFARS 252.225-

XXIII) 7014 Alternate I. - end -