
PURCHASE ORDER TERMS AND CONDITIONS

By accepting a purchase order from Winona Pattern & Mold (WPM), the Supplier is responsible for acknowledging agreement to fulfill all order requirements. Acceptance implies that the Supplier understands the purchase order terms and specific requirements and indicates agreement/compliance to the requirements. The Supplier shall resolve all questions relating to fulfillment of the contract before accepting a WPM purchase order.

The Supplier shall provide and maintain a quality control system, which shall assure all materials conform to purchase order requirements, through their processes or their subcontractor's processes. Suppliers shall perform all inspections and tests required to substantiate product conformance to drawings, specifications, and purchase order requirements. If no such quality control system exists, or Supplier is unable to fulfill the purchase order terms and conditions, Supplier must notify WPM in writing.

Winona Pattern & Mold (WPM) requires that its Suppliers:

- Notify WPM of nonconforming product;
- Obtain WPM approval for nonconforming product disposition;
- Take responsibility for late shipments; time is of the essence of the order. If the rendition of the services or delivery of the goods is not completed by the time indicated on the order, or Supplier becomes insolvent or makes a general assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against Supplier, WPM reserves the right, without liability, in addition to any other rights and remedies hereunder, at law, and/or at equity, to cancel the order by notice, as to any services not rendered and any goods not shipped, to purchase substitute services and goods elsewhere, and to charge Supplier with reasonable costs incurred. Provisions for rendition of the services and/or delivery of the goods by installments shall not be construed as making the obligations of Supplier severable. Shipments shall be suitably packed, marked and shipped in accordance with WPM's instructions, or absent such instructions, in accordance with the requirements of common carriers in a manner to secure lowest transportation costs, and no additional charge shall be made to WPM unless otherwise provided. Shipments shall be shipped only by licensed carrier approved by WPM and via the least expensive route, unless otherwise instructed by WPM. Concurrent with shipping of the goods, Supplier shall forward notice thereof, together with a copy of the bill of lading, or other shipping documents, required quality documents, and the pack list applicable thereto according to the instructions specified or referenced on the order. **All shipments to WPM are required to be accompanied with a packing slip. All documents, packages, and/or correspondence must show WPM's Order number. Pack lists must bear a complete description of goods shipped.** WPM shall have the right to refuse shipments made in advance of the delivery schedule set forth in the order. If at any time it appears that Supplier will not make such delivery schedule on a timely basis, Supplier shall promptly notify WPM of the reasons for and estimated duration of the delay. If WPM agrees to accept deliveries after the order date of delivery has passed, WPM shall have the right to direct the Supplier to make shipment by the most expeditious means, and the total excess cost of such expedited

shipment and handling shall be borne by the Supplier. Acceptance of late deliveries shall not be deemed a waiver of WPM's right to hold the Supplier liable for any loss or damage resulting there from, nor shall it act as a modification of the Supplier's obligation to make deliveries in accordance with the delivery schedules set forth in the order. WPM shall not be liable for payment of goods delivered in excess of quantities specified by WPM. WPM may from time to time change delivery schedules or direct the temporary suspension of scheduled shipments.

- Permit WPM receiving inspectors to inspect and evaluate all incoming material for quality and delivery and abide by WPM's Supplier Selection and Qualification procedure to score Suppliers on performance. All goods shall be received subject to WPM's inspection and rejection at WPM's plant or other places designated by WPM notwithstanding prior inspections. WPM reserves the right to reject and refuse acceptance of services and/or goods that do not comply with all terms, conditions, and/or specifications of the order. **Late shipments and/or goods of poor quality that do not conform to purchase order requirements or to these stated terms and conditions will warrant a strike against the Supplier, which will be recorded in the Supplier's performance record per WPM's Supplier Selection and Qualification program. Poor performance may cause a Supplier to become disqualified as a Supplier to WPM.** Acceptance, payment, use, or resale of the services and/or goods, or either of them, by WPM, shall not relieve Supplier from any of its obligations, representations, and/or warranties. Payment for any of the services and/or goods, or either of them, shall not be deemed an acceptance thereof. Title shall not be deemed transferred on any defective goods or goods otherwise not conforming or fulfilling Supplier's warranty (express or implied) with respect to the order (collectively "Defective Goods"), and hence no payment, including freight, shall be due with respect to the same. Defective goods shall be held for Supplier's inspection if necessary and at Supplier's risk, and if Supplier so directs, shall be returned at Supplier's expense. And in addition to WPM's other rights, WPM may charge Supplier all expenses on unpacking, examining, repacking and reshipping defective goods. No defective goods shall be replaced without a new purchase order. Any payment by WPM shall not be construed as an acceptance of defective goods. Nothing shall relieve Supplier from its obligations of testing, inspection and quality control;
- Agree that WPM may accept or revoke acceptance ("rejection") of any or all goods, including any tender thereof, which are not strictly in conformance with all the requirements of any order, and shall notify Supplier of such rejection by notice, rejection tag or other communication. At Supplier's risk and expense, all such goods will be returned to Supplier for immediate Supplier repair, replacement, or other correction and redelivery to WPM, provided, however, that with respect to any or all such goods, at WPM's election and at Supplier's risk and expense, WPM may (a) hold, retain or return such goods, without permitting any repair, replacement or other correction by Supplier; (b) hold or retain such goods for repair by supplier or, at WPM's election, for repair by WPM with such assistance from Supplier as WPM may require; (c) hold such goods until conforming replacements are obtained from a third party; or (d) return such goods with instructions to Supplier as to whether the goods shall be repaired or replaced and as to the manner of redelivery. All repair, replacement and other correction and redelivery shall be completed within such time as WPM may require. All reasonable costs and expenses and loss of value incurred by WPM as a result of or in connection with Supplier's nonconformance and repair, replacement, or other correction may be recovered from Supplier by equitable price reduction, setoff, or credit against any amounts that may be owed to Supplier. This also applies to charges from customers of WPM for any nonconforming product supplied by

Supplier. The Supplier shall have an effective program for investigation, corrective action, and follow-up for rejected material or services provided by the supplier. When WPM discovers discrepancies for which the Supplier is responsible, WPM may forward a request for corrective action to the Supplier for action and response. The Supplier's response shall be returned to WPM within thirty (30) calendar days, and shall include the root cause of the discrepancy, the positive corrective action taken to prevent recurrence, and the review of Corrective action effectiveness. Failure to comply with this requirement may result in termination of this or future orders;

- Suppliers of raw material(s) must furnish WPM with a Material Certification issued from the raw material manufacturer upon shipment of product; this may include, as applicable, Mill Certificates, Certified Test Reports, or Certificates of Conformance or other such quality assurance document;
- Suppliers of aerospace good and materials must follow an established FOD (Foreign Object Debris/Detection/Damage) awareness and training program;
- Suppliers represent and warrant that it shall not furnish “counterfeit products” to WPM. Counterfeit products are defined as any product that has been confirmed to be a copy, imitation or substitute that has been represented, identified, or marked as genuine, and/or altered by a source without legal right with intent to mislead, deceive or defraud by a supplier, distributor or manufacturer at any level in the supply chain. Examples include, but are not limited to, components, raw material, fasteners, and hardware. Suppliers are reminded that any knowing or willful act to falsify, conceal or alter a material fact, or any knowingly false statement or representation in connection with the performance of product under the contract, may be punishable in accordance with applicable law;
- Suppliers acknowledge their contribution to WPM product conformity and safety. It is WPM’s policy to enter into supplier agreements only with companies that have a demonstrated record of and a commitment to the highest ethical standards. Suppliers shall conduct itself fairly, impartially and in an ethical manner, and shall adhere to a reasonable code of ethical standards;
- Flow down these stated requirements to the Supplier’s applicable sub-tier supply chain;
- Retain product and process quality records for a minimum of 10 years;
- Allow WPM, our customer, or regulatory authorities the right of access to applicable areas of all facilities, systems, processes, procedures, at any level of the supply chain, involved in the order and to all applicable records (without limitation: quality, manufacturing, finance, accounting, procurement, equipment testing, data, and personnel, etc); all work in process, completed goods, manufactured for WPM. Records and data, including but not limited to that specified herein, shall be capable of verification through audit and analysis by WPM and shall be available to WPM at Supplier’s facility for WPM’s examination and audit at all reasonable times from the date of the order until ten years after final payment under the order. Supplier shall provide assistance to interpret such data if required and requested by WPM;

- Take responsibility for defective goods or services; if, for a period of four years from delivery, any of the services and/or goods, fail to comply with any of the terms of the order, then, at WPM's option, Supplier shall either promptly correct such discrepancy, replacing such goods and/or perform such services at Supplier's expense upon notice of such discrepancy from WPM, or WPM may correct such discrepancy, repair such goods, and/or perform such services, and Supplier shall promptly reimburse WPM for all labor and material costs reasonably incurred with respect to the discrepancy. If, after notice of any discrepancy, Supplier shall fail to so act as to cause remedy within 15 calendar days of such notice, WPM may cancel the order as to all such services and goods by giving Supplier notice of cancellation for default, and, in addition to WPM's other rights and remedies hereunder, at law, and/or at equity, WPM may, at its option, cancel the then remaining balance of the order, in whole or in part, and as to all or any part of the services and goods, or either of them, purchase substitute services and/or goods elsewhere and charge Supplier with any reasonable loss incurred. Supplier acknowledges WPM may recover all damages or costs it reasonably incurs as a result of or relating to Supplier's breach of any warranties, failure of Supplier to safeguard any property of WPM, failure to deliver goods and/or services per the order, or the failure of Supplier to correct defects in or replace non-conforming goods or services promptly, including but not limited to costs associated with the shipment, both to and from the original destination, of the defective goods or services. After notice to Supplier of a discrepancy, all such goods will be held at supplier's risk until the discrepancy is corrected or such goods are returned to Supplier. Any payment for the defective goods and/or services prior to WPM cancellation notice shall be refunded by Supplier promptly upon such cancellation.

As applicable, Winona Pattern & Mold (WPM):

- Approves the product being purchased, as well as Seller's procedures and equipment, by reviewing and purchasing against defined specifications;
- Uses Suppliers with qualified personnel (i.e., specific knowledge, skills or certification as required);
- Uses Suppliers with drug testing requirements for personnel employed or used by supplier who perform sensitive safety related and security related functions as defined by the FAA's Anti-Drug Program for Personnel Engaged in Specific Aviation Activities;
- Uses suppliers that comply with the requirements of all applicable federal, state and local statutes, rules, regulations and orders, including without limitation, and including the underlying rules, regulations and orders, the Fair Labor Standards Act of 1938 as amended, the Occupational Health and Safety Act, the Arms Export Control Act, the International Traffic in Arms Regulations (ITAR, 22 CFR 120-130), the Export Administration Act and all equal opportunity and civil rights laws. Supplier warrants that material subject to this order shall be shipped in accordance with the provisions of the Hazardous Materials Transportation Act of 1975. Supplier incorporates the provisions of the Rehabilitation Act of 1973, Section 402 of the Vietnam Era Veterans Readjustment Act of 1974, and shall provide any necessary documents, at WPM's request, to prove and give evidence of compliance with any applicable law;

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- Uses Suppliers that comply with Equal Opportunity Executive Order 11246, 11375 and federal regulations 29 CFR Part 471 Appendix A to Subpart A, 41 CFR Part 60-1, 60-250, 60-300, 60-741, and 601.7;
 - Uses Suppliers with a quality control system acceptable to WPM; if the Suppliers' quality management system changes, WPM must be notified;
 - Requires Suppliers' quotes to identify the revision status of specifications, drawings, process requirements, inspection/verification instructions and other relevant technical data, as applicable;
 - Requires Suppliers' quotes to supply any necessary design, test, inspection or verification data, use of statistical techniques for product acceptance, and related instructions for acceptance by the organization, and as applicable critical items including key characteristics;
 - Establishes requirements for test specimens, if needed from Suppliers for design approval, inspection/verification, investigation or auditing, with regard to production method, number and storage conditions;
 - Requires Suppliers to warrant all of the services, goods, material and work will conform to the specifications, drawings, samples, data, or other description furnished to, or adopted by WPM; the services shall be performed in accordance with the highest standard of the trade encompassing the services, and the goods will be of good material and workmanship, new, free from all liens or encumbrances, free from defects, merchantable, and, to the extent manufactured by information not supplied by WPM, fit and sufficient for the material(s) purpose intended;
 - Requires calibration services Suppliers to maintain valid NIST and ISO 17025 certification.