



Hobart Machined Products, Inc

P.O. BOX 7

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Purchase Contract Provisions and Terms & Conditions

1. **Right of Entry:** Hobart Machined Products, Inc., (HMPI), their customers and federal agencies reserve the right to inspect and evaluate the seller's facility, including, but not limited to systems, equipment, testing, data, personnel, work-in-progress and completed goods manufactured for installation on HMPI customer product. No inspection, test, prior approval, acceptance or failure to discover any defect, or other non-compliance, shall relieve the seller of its obligation, nor impair any rights or remedies of HMPI or their customer. Seller will be notified prior to such a visit.

2. **Return of HMPI Property:** seller is required to return all HMPI supplied material, tooling, fixtures, drawings, parts lists, specifications, documents and datasets furnished for completion of this contract.

3. **Control Of Changes:** The seller shall not to make any changes in materials, processes or design without prior written approval of HMPI. Seller must include this clause into all subcontracts for seller purchased goods and / or services.

4. **Pack Slip Information:** the seller must provide all applicable drawing, parts lists, specification and rejection tag information on all pack slips and invoices submitted to HMPI.

5. **Tooling, Fixtures, and Programming:** All tooling, fixtures, machining programs and coordinate inspection programs being purchased under this contract, and supplied by the seller, will become the property of HMPI. All tooling and fixtures being purchased with this contract must be identified as "property of HMPI", and include the appropriate part and operation numbers.

6. **Quality System:** Seller is required to maintain a quality system in compliance with ISO 9000, as 9100, QS 9000, or other applicable requirements.

7. **Seller Subcontract:** Seller is required to flow down all requirements of this contract, in the purchase of processes and services, to seller's subcontractors and suppliers. Seller must obtain prior approval from HMPI before obtaining such processes and services. HMPI reserves the right to conduct inspection of seller's subcontractor facility.

8. **Approved Processes and Suppliers:** Seller is required to use only approved processes and suppliers, as identified by HMPI and HMPI customers. All packing sheets, certifications and test reports must reference the name of these approved processes and suppliers.

9. **Certificate of Conformance:** A signed certificate of conformance / compliance verifying that the supplies or

services relative to this contract are of the quality specified, and conform in all respects with the contract requirements, must be included with each shipment to HMPI.

10. **Certifications and Test Reports:** All applicable certifications and test reports relative to items and services in this contract must be provided to HMPI.

11. **First Article Inspection:** A first article inspection report is required with this order. The first article part is to be identified. If it is necessary for the seller to manufacture the parts in separate lots, a first article inspection report will be required for each lot, unless otherwise authorized by HMPI.

12. **100% Inspection:** products supplied for this contract will require evidence of 100% inspection by the seller.

13. **Changes in Definition:** the seller must notify HMPI of any anomalies, changes in definition and process approvals relative to the items being purchased in this contract.

14. **Non-Conformances:** Upon notification of a non-conforming condition, the seller shall validate the reason for the non-conformance, and may be required to provide HMPI with cause and corrective action relative to the non-conformance.

15. **Material Review Board Authority:** Unless specifically authorized by HMPI quality, no material review board, (MRB), authority is granted to the seller. HMPI reserves the right to refuse consideration of any non-conforming product submitted by the seller for acceptance review.

16. **Datasets:** Whenever HMPI supplies 3-D datasets for part manufacture. The dataset information will take precedence over drawing dimensions. A coordinate measurement inspection report will be required for parts manufactured with 3-D datasets.

17. **Manufacturers Certification:** All items in this purchase order require certifications and test reports from the original manufacturer.

18. **Hazardous or Toxic Materials:** The seller must notify HMPI of any hazardous or toxic materials, or any combination thereof, that may produce a hazardous environment, or of any potentially dangerous process. The submittal shall include the safety or control measures the seller proposes to implement. This clause must be included in any seller subcontract issued for work performed on this contract.

19. **Material Safety Data Sheets:** The seller must supply a copy of the "Material Safety Data Sheet", (MSDS), relative to the items being obtained under this contract, and will ensure that the name of the product, as identified on the MSDS sheet is identical to the name which appears on the label of the product being supplied. A material safety data sheet must be supplied with each shipment.

20. **Hazardous Material Labeling:** The seller must package, label, transport and ship hazardous materials or items containing hazardous materials in accordance with current published issues of tariffs and regulations.

21. **Manufacturing with Ozone Depleting Substances:** If any items relative to this contract are manufactured using class I ozone depleting substances, the following warning statement shall apply:

a. *Warning: "manufactured with cfc-11, 12, 13, 111, 112, 113, 114, 115, 211, 212, 213, 214, 215, 216, 217, halons 1211, 1301, 2402, carbon tetrachloride or methyl chloroform substances which harm public health and environment by destroying ozone in the upper atmosphere"*

22. **Products Containing Ozone Depleting Substances:** If items being delivered relative to this contract contain class I ozone depleting substances, the following warning statement shall apply:

a. *Warning: "contains cfc-11, 12, 13, 111, 112, 113, 114, 115, 211, 212, 213, 214, 215, 216, 217, halons 1211, 1301, 2402, carbon tetrachloride or methyl chloroform substances which harm public health and environment by destroying ozone in the upper atmosphere"*

23. **Proprietary Information Requirement:** Work under this contract may involve access to proprietary or confidential data from HMPI or their customer. To the extent that such data is received by the seller for the performance of this contract, the seller agrees that any proprietary information received shall remain the property of HMPI or their customer, and shall be used solely for the purpose of satisfying the requirements of this contract. The seller agrees to hold such proprietary information in strictest confidence. This requirement must be flowed down to any seller supplier or subcontractor.

24. **Foreign Nationals:** The seller acknowledges that the technical data obtained, used, generated or delivered in performance of this contract is controlled by the International Traffic in Arms Regulation, (ITAR), 22 CFR sec. 121-128, and may require an export license before assigning any foreign national to perform work under this contract or granting access to foreign national to perform work under this contract or before granting access to foreign national to any technical data obtained, used, generated or delivered under this contract. The seller agrees to notify HMPI fifteen working days prior to assigning or granting access to any work or technical data obtained, used, generated or delivered in performance of this contract. This notification will include the name and the country of origin of the foreign national, the specific work or data to which the person will have access, and whether the foreign national is cleared to have access to the technical data.