

BSA INTERNATIONAL AEROSPACE CO.

PURCHASE ORDER TERMS & QUALITY CLAUSE CONDITIONS

Q01: TERMS

A: Seller shall keep confidential all technical and proprietary information furnished to Seller by Buyer in connection with this order, including blueprints, data, designs, drawings, engineering data for production, product know-how, and any other information furnished to Seller by Buyer in connection with this contract. Seller shall not use such items or information in the design, manufacture, or production of any goods, or for any other purchase or for the manufacture or production of larger quantities than those specified, except with the express consent in writing from the Buyer. Seller, including its agents, employees, and representatives will exercise extreme caution to prevent disclosure of such information to third parties. The obligations of this provision shall survive the completion of performance and expiration or termination of this contract.

B: Buyer and authorized representatives of Buyer's Customers and / or Regulatory Authorities shall have direct access to all applicable areas of all Seller's and Seller's Subcontractor's Plants (at any level of the supply chain) where work under this P.O. is being performed, to review progress, records and witness testing of the items related to this P.O. Seller shall include this clause in all of Seller's subcontracted Purchase Orders.

C: Prior to shipment, Supplier shall notify BSA International Aerospace Co. if a non-conformance condition exists with the product and obtain approval for nonconforming product disposition.

D: Supplier shall notify BSA International Aerospace Co. of changes in product and/or process changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval.

E: Supplier shall flow down to the supply chain the applicable requirements including customer requirements.

F: Gauges supplied by BSA International Aerospace Co. shall be returned with the last shipment on this order. Gauges shall be returned in the same condition as received. Supplier will be responsible for any Gauge repair costs if necessary. Gauges must have a current certified calibration sticker when returned to BSA International Aerospace Co.

G: Quantity variances and / or partial shipments are not permitted unless prior written authorization is received from the buyer.

H: All goods supplied shall be suitably packaged to protect, marked, and shipped in accordance with buyer instructions. In the absence of instruction, Supplier shall contact the Buyer. All supplied goods will be returned to the Supplier for inspection if parts are received damaged.

I: Accelerated delivery is not permitted. Any modification to the delivery schedule requires written authorization from the buyer.

Q02: CERTIFICATE OF CONFORMANCE

Supplier Certification of Conformance is required with this order. A legible and reproducible Certificate of Conformance or Seller's statement of quality will accompany each shipment. Certifications must show the part number, quantity, specification, and revision number, and have a legible printed and signed signature and title of responsible person signing the certification. This certifies the material / services provided by the seller meet all drawing and / or specifications requirements. Records supporting this certification shall be on file and shall be provided to Buyer upon request at no cost to BSA International Aerospace Co.

Q03:

MATERIAL AND SPECIAL PROCESSING CERTIFICATIONS

Actual material certifications are required for all Seller provided material. All Certifications must be traceable to the original Mill Lot and Heat Number.

Processing Certifications are required for all Sellers providing processing. All certifications must indicate that the process has been performed to drawing requirements.

Parts are subject to rejection without correct documentation.

All Certifications must show the part number, quantity, process being performed, specification, revision number, and have a legible printed and signed signature and title of responsible person signing the certification.

Supplier shall notify the undersigned prior to shipment if specification has been replaced / superseded / updated. List specification as shown on drawing, and then list the replacement specification with current revision.

Q04: INSPECTION RECORDS

Each shipment shall be accompanied by copies of actual quantitative records of inspection. Include the nature and number of observations and traceable by part number to the material / or services being provided by the Seller.

Q05: CALIBRATION

Calibrate in accordance with ISO 10012-1 BSA International Aerospace Co. Purchase Order Number must appear on all certifications. Actual Calibration results and calibration certification to accompany shipment.

Q06: U.S GOVERNMENT SOURCE INSPECTION (US GSI)

Government Source Inspection is required and shall be performed at Supplier's facility prior to shipment. As directed by BSA International Aerospace Co / "GSI" any in process inspection is also mandated by this clause. A minimum of 48-hours notice to BSA International Aerospace Co, prior to inspection, is required when this clause is invoked. Supplier shall provide evidence of Government Source Inspection with each shipment.

Q07: SOURCE INSPECTION.

Items procured under this purchase order are subject to source inspection by BSA International Aerospace Co. at Sellers Facility prior to shipment. The Seller shall furnish acceptable facilities and equipment necessary to perform the required inspection at no cost to BSA International Aerospace Co. Please advise the Buyer within three working days in advance of the subject material being available for source inspection.