



JCM PURCHASE ORDER TERMS AND CONDITIONS

<p>The FOLLOWING GENERAL TERMS AND CONDITIONS (GTC) and STANDARD TERMS AND CONDITIONS (STC), Form QF-742-001, APPLY TO ALL JCM MACHINE PURCHASE ORDERS AND CONTRACTS, UNLESS OTHERWISE NOTED. SPECIFIC JCM QUALITY REQUIREMENTS (JCMQR) CLAUSES "JCMQR 1, & 3, SHALL APPLY FOR ALL Pos, OTHERS WILL APPLY WHEN NOTED ON THE PO.</p>	<p>Date Revision: 04/22/21 Rev. H</p>
GTC	<p><u>RIGHT OF ENTRY</u>. The buyer and buyers customer, and their customers, or any applicable regulatory agency will have the right to enter the sellers facility to perform inspection or ensure compliance to the contract.</p>
GTC	<p><u>ACCEPTANCE</u> of this order, or the initiating of any process, or the furnishing of any product, or the acceptance of payment, constitutes unconditional acceptance by the seller.</p>
GTC	<p><u>AMENDMENTS</u> to this order, or JCM terms and conditions shall be set forth in writing, via purchase order change notice, and /or revisions to the purchase order terms and conditions. JCM will consider sellers request to modification of, or exception to, only if such request is made in writing, prior to the acceptance of the order (ref. Acceptance Clause)</p>
GTC	<p><u>PRICE</u> as stated on this order covers all goods and services to be provided by the seller as specified in the order. These prices also cover all charges for packaging, containers, and transportation, unless specifically depicted otherwise on the face of the order</p>
GTC	<p><u>SHIPMENT</u> of goods and services under this order shall be f.o.b as set forth on the face of the order. Seller shall follow buyers instructions regarding method of shipment, except where buyer has so stated on the face of the order.</p>
GTC	<p><u>SCHEDULE</u> for delivery will be responsibility of the seller. The seller shall not be held liable for damages in respect to delivery delay due to causes beyond sellers reasonable control. However, if the seller does not meet the delivery date as depicted on the face of the order, the buyer may approve a revised delivery schedule, or terminate the order without liability for such termination.</p>
GTC	<p><u>HAZARDOUS MATERIAL</u> seller agrees to furnish the applicable material safety data (msds) sheet(s) with each shipment, for products designated by industry, state, or federal agencies as hazardous material.</p>
GTC	<p><u>PACKAGING AND PROTECTION</u> of the product shipped shall be in accordance with the JCM PO or best commercial practice to protect product from damage and/or deterioration.</p>
GTC	<p><u>CANCELLATION</u> shall remain the right of the buyer and may be initiated at any time.</p>
GTC	<p><u>SUB CONTRACTOR REQUIREMENTS</u> all purchase order requirements and terms and conditions attached to this order shall be flowed down as stated to all sub tiers.</p>
GTC	<p><u>TOOLING</u> furnished by JCM shall be maintained indoors, the seller is responsible to ensure adequate care is utilized within their facility, to maintain the tooling in good working condition. Any damages to this tooling, while in the care of the seller shall be reported to the JCM buyer in writing. JCM shall disposition damaged tooling prior to further processing by the seller. Seller rework of JCM furnished tooling shall be authorized in writing. JCM attachment QF-7513-001 applies to all furnished tooling</p>
GTC	<p><u>QUALITY ASSURANCE</u>. The supplier shall comply with the JCM Quality System requirements as specified by the JCM Supplier Survey or purchase order. Supplier agrees to implement and maintain the Quality or Inspection System during the performance of this contract. An authorized Certificate of Conformance is required with each shipment. Process suppliers shall furnish a complete Certificate of Conformance with each shipment indicating the PO number, specification number and revision, name of supplier and quantities accepted and rejected. Material suppliers shall furnish chemical/physical test reports with each shipment identifying the applicable specification and revision, actual chemical composition and physical properties, melt, heat, batch, or lot. The supplier is not authorized to perform Material Review action of nonconforming material. <u>Note</u>: This clause does not apply to contracts for JCM non-deliverable goods or services.</p>
GTC	<p><u>NONCONFORMANCES</u> Upon acceptance of a JCM purchase order, the supplier agrees that JCM is entitled to reimbursement of JCM labor and material costs associated with seller responsible nonconformances and damages. Supplier must notify JCM of non-conforming processes, product, or services and obtain approval for their disposition.</p>
GTC	<p><u>SPECIFICATIONS</u> Supplier and all subtier suppliers must comply with all applicable specifications and revisions current at order placement.</p>



JCM PURCHASE ORDER TERMS AND CONDITIONS

GTC	<p><u>ORDERS UNDER A GOVERNEMENT CONTRACT</u> Supplier shall conform to the following DFAR/FAR clauses for all government contracts unless otherwise specified, and authorized by JCM.</p> <p><u>FAR CLAUSES:</u> 52.204-9 Personal Identity Verification of Contractor Personnel 52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving</p> <p><u>DFAR CLAUSES:</u> 252.204-7000 Disclosure of Information 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting 252.225-7008 Restriction on Acquisition of Specialty Metals 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals 252.225-7011 Preference for Domestic Specialty Metals 252.225-7012 Preference for Certain Domestic Commodities 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings 252.225-7025 Restriction on Acquisition of Forgings</p>
GTC	<p><u>ITAR</u> Documents and data supplied by JCM Engineering may contain technical data within the definition of the International Traffic and Arms Regulations (ITAR) and is subject to the Export Control Laws of the U.S. Government. Transfer of this data by any means to a foreign person or foreign entity, whether in the United States or abroad, without an export license, ITAR exemption or other approval from the U.S. Department of State is prohibited.</p>
JCMQR 1	The supplier shall maintain a Quality System.
JCMQR 2	The supplier shall provide SPC data on critical and/or on Key Characteristics (KC) per the P.O.
JCMQR 3	The supplier and supplier subcontractors shall maintain a Calibration System.
JCMQR 4	JCM Source Inspection and/ or Customer Verification is required at supplier facility prior to shipment. JCM will place an Inspection Stamp on the supplier shipper to indicate JCM acceptance. Contact JCM at least 48 hours prior to shipment from supplier facility.
JCMQR 5	Government Source Inspection is required at supplier facility prior to shipment. Supplier shall contact JCM and applicable Government Representative to arrange for Government acceptance prior to shipment from supplier facility.
JCMQR 6	The supplier shall perform and document a complete First Article Inspection Report (FAIR) including 100% of B/P or specification requirements. One copy of supplier FAIR will be furnished to JCM Inc. along with the first shipment for this PO/contract.
JCMQR 7	The supplier shall implement and maintain a Key Characteristics (KC) control program acceptable to JCM.
JCMQR 8	The supplier shall provide an Inspection Report (IR) identifying engineering requirements and actuals. Use of supplier or JCM inspection form is acceptable. One copy of the IR shall be furnished to JCM representing each manufacturing lot.
JCMQR 9	The supplier shall perform 100% inspection of the JCM noted characteristics, a record of the inspection results shall be provided to JCM, sampling inspection is not allowed. The supplier shall retain all Quality Records for a minimum of 10 years unless otherwise specified by P.O. or contract.
JCMQR 10	By accepting this Purchase Order, you are agreeing to comply with the JCM- Code of Business Ethics and Conduct (V.3, June 2020) for Suppliers which may be found on our website www.jcmcorp.com