



**Unical Defense, Inc**  
**Terms and Conditions of Purchase**

A-843-001

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**TERMS AND CONDITIONS FOR ALL ORDERS**

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 of 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: Seller shall provide and obtain for Buyer, Buyer's customers, and appropriate regulatory agencies access to any and all facilities, including those facilities of Seller's subcontractors, where work on product is being performed or is scheduled to be performed under this Purchase Order. Buyer shall have the right to perform in-process inspection, audits, and system surveillance at Seller and Seller's subcontractors' facilities as part of verification of conformance to the requirements of this PO at no cost to Buyer.

C: Prior to shipment, Seller shall notify Buyer if a non-conformance condition exists with the product and obtain approval for nonconforming product disposition. Seller shall evaluate each nonconformance for its potential to exist in previously produced or delivered products. If a nonconformance exists, Seller shall notify Buyer, in writing, within 24 hours.

D: Seller shall notify Buyer of changes in product and/or process changes of Seller, changes of manufacturing facility location and, where required, obtain organization approval.

E: Seller shall flow down to the supply chain whether direct or sub-tier the applicable requirements of Buyer.

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

G: All goods supplied shall be suitably packaged to protect, marked, and shipped in accordance with industry best practice or utilizing standards such as MIL-STD-2073, ATA-300, ASTM D3951, or equivalent. All supplied goods will be returned to the Seller with Seller's shipping account for inspection if parts are received damaged or does not pass Buyer receiving inspection. Upon material rejection, Buyer reserve the right to withhold payment to Seller.

H: Records of product origin, conformity, inspection records, testing reports and shipment shall be maintained for a minimum of 7 years, or as required by contract.

I: If Seller's primary business is 90% Aerospace they shall have a Quality System in place to meet the intent of one of the following quality standards, but not limited to NADCAP, ISO 9001, AS9100 series or any quality standard that is equivalent. If company is not Aerospace oriented, company will be subject to approval.

J: Buyer shall forward requests for corrective action, through a Supplier Corrective Action Request ("SCAR") form if required, to Seller when unsatisfactory performance by Seller and/or any of its subcontractors is detected by Buyer. Seller shall respond to all Buyer requests for corrective action. When requested by Buyer, Seller shall provide on Seller's company letterhead, a response showing actions taken within their process to correct such nonconformity and action taken to preclude recurrences. If Seller does not respond to Buyer's SCAR, within 30 days of receipt of the nonconforming item(s), the Seller shall be deemed to have accepted responsibility for the identified nonconformance. Payment under this PO may be withheld pending receipt and approval of the SCAR by Buyer.

K: Seller warrants that the products delivered hereunder will conform to specification or other applicable description specified by Buyer and will be free from all defects, fit and sufficient for the purposes for which they were intended. This warranty shall run to the Buyer, Buyer's customers, and end users of the articles covered by this purchase order.

L: The terms and conditions is deemed to be accepted by the Seller upon acceptance of the Buyer's purchase order.

M: Buyer monitors Seller's performance through Product Conformity and On Time Delivery (PC + OTD/2). Seller shall maintain a 90% or higher to be maintained on Buyer's approved vendor list. A SCAR may be issued when Seller falls below 89%.

N: Seller shall ensure that Seller's personnel are competent and aware of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behavior.

O: Seller shall have a program in place to prevent and mitigate the use of counterfeit parts. Seller's program for counterfeit should include requirements from AS6174 Counterfeit Materiel, latest revision. Buyer shall be notified if Seller becomes aware or suspects that it has furnished counterfeit work. Buyer reserves the right to control and destroy any suspect or confirm counterfeit material to prevent its reentry into the supply chain. If the suspect or counterfeit material is returned to the Seller, the Seller is required to ensure that the material is not compromised and segregates the material until validated as authentic and unused. Buyer reserves the right to report, as appropriate, to internal organizations, customers, government reporting organization, industry supported reporting programs (e.g. GIDEP), and criminal investigative authorities.

P: Seller shall use Buyer's approved method of shipment for the contract, which is stated on the Purchase Order from Buyer. Under no circumstances that Seller shall determine the method of shipment for the Buyer, unless approved by Buyer in writing. If the order is unable to be shipped under the approved method, Seller shall notify Buyer for Buyer to determine a different shipping method. Seller shall be responsible for all shipping charges that Buyer did not authorize.

Q. Seller shall maintain a (FOD) Foreign Object Debris/Damage prevention program to control any damage/contamination of foreign objects into any item delivered under this purchase order. Seller's program for FOD should include requirements from AS9146 FOD Prevention Program, latest revision.

R. Seller warrants that (tin, tantalum, tungsten, and gold, or "3TG") that may be contained in products shall not be derived from sources that finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries. Seller shall take appropriate measures to manage the sourcing of minerals that are "DRC conflict free" in accordance with the Conflicts Minerals provision (Section 1502) of the Dodd Frank Wall Street Reform and Consumer Protection Act.

S. Applies only on Government contracts. "During the performance of this contract, the contractor agrees as follows:

1. The contractor shall not use any workplace training that inculcates in its employees any form of race or sex stereotyping or any form of race or sex scapegoating, including the concepts that (a) one race or sex is inherently superior to another race or sex; (b) an individual, by virtue of his or her race or sex, is inherently racist, sexist, or oppressive, whether consciously or unconsciously; (c) an individual should be discriminated against or receive adverse treatment solely or partly because of his or her race or sex; (d) members of one race or sex cannot and should not attempt to treat others without respect to race or sex; (e) an individual's moral character is necessarily determined by his or her race or sex; (f) an individual, by virtue of his or her race or sex, bears responsibility for actions committed in the past by other members of the same race or sex; (g) any individual should feel discomfort, guilt, anguish, or any other form of psychological distress on account of his or her race or sex; or (h) meritocracy or traits such as a hard work ethic are racist or sexist, or were created by a particular race to oppress another race. The term "race or sex stereotyping" means ascribing character traits, values, moral and ethical codes, privileges, status, or beliefs to a race or sex, or to an individual because of his or her race or sex, and the term "race or sex scapegoating" means assigning fault, blame, or bias to a race or sex, or to members of a race or sex because of their race or sex.

2. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under the Executive Order of September 22, 2020, entitled Combating Race and Sex



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Stereotyping, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

3. In the event of the contractor's noncompliance with the requirements of paragraphs (1), (2), and (4), or with any rules, regulations, or orders that may be promulgated in accordance with the Executive Order of September 22, 2020, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided by any rules, regulations, or orders the Secretary of Labor has issued or adopted pursuant to Executive Order 11246, including subpart D of that order.

4. The contractor will include the provisions of paragraphs (1) through (4) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.”

**ADDITIONAL QUALITY CLAUSES**

**Q01: CERTIFICATE OF CONFORMANCE AND/OR AIRWORTHINESS CERTIFICATE**

Seller’s Certification of Conformance or Airworthiness Certificate is required with this order. A legible and reproducible Certificate of Conformance, Airworthiness Certificate 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 Buyer.

**Q02: MANUFACTURE CERTIFICATION**

A copy of the manufacture certification is required with this order, when specified within the PO. 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.

**Q03: SHELF LIFE**

When Seller is providing a shelf life product, it must have sufficient shelf life remaining 85% or higher to allow for normal processing time. Any deviation must require written authorization from Buyer



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through email or on the Buyer's PO. Otherwise the product will be quarantined upon inspection of order and returned on Seller's account.

**Q04: 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. Seller 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.

**Q05: 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.

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

Government Source Inspection is required and shall be performed at Seller's facility prior to shipment, if applicable. As directed by Buyer any in-process inspection is also mandated by this clause. A minimum of 48-hours' notice to Buyer, prior to inspection, is required when this clause is invoked. Seller shall provide evidence of Government Source Inspection with each shipment.

**Q07: Equal Opportunity**

Whereas applicable, the seller shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), 60-741.5(a) and 29 CFR Part 471, Appendix A to Subpart A. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation.