



PURCHASE ORDER TERMS & CONDITIONS

1440 Broadway Drive
Lee's Summit, MO 64081

1. The Seller, by acceptance of an Order that references these Terms and Conditions, accepts all the terms and conditions hereof. Acceptance of such Order shall take place either by execution and return of the signed acknowledgement copy accompanying such purchase Order or by part performance of such Order. Any modifications, or alterations or additions to the terms and conditions of such Order, to be binding must be in writing, signed by an authorized representative of the Buyer and delivered by the Buyer to the Seller. Any term, Condition, or reservation inconsistent with the terms hereof that may be contained in any printed or standard acknowledgement, invoice form or other document issued by Seller shall be of no effect (Buyer hereby objects to any such inconsistent terms, conditions, or reservations and notifies Seller that they are rejected) notwithstanding Buyer's act of accepting or paying for any shipment or otherwise performing the obligations on its part to be observed or performed hereunder.
2. All Goods are shipped F.O.B. Buyer's destination unless otherwise stated on the face of an Order. If Goods are shipped F.O.B. destination or Buyer's plant, shipping charges must be prepaid in all cases. No insurance premium or shipping costs will be allowed unless authorized in writing. Packing slips must be enclosed with all shipments showing Order number, line number, release number, if any, and quality. Charges accrued through Seller's failure to ship in accordance with Buyer's shipping instructions will be charged to Seller's account.
3. Time shall be of the essence in all Orders. The Goods must be delivered strictly in accordance with the quantities, specifications and delivery schedule specified.
4. Goods are subject to inspection by Buyer and Buyer shall be the final judge of the Goods. No payment will be made to Seller in respect of any Goods that are rejected on such inspection. Buyer reserves the right to retain any portion of any shipment not strictly in accordance with specification and in such case will pay to Seller a reasonable price therefore, but such retention shall not preclude Buyer from rejections of the remainder of any or other shipments. Rejected Goods will be held for Seller's instructions and at its risk and expense. If instructions are not received within fifteen (15) days after notice of rejection, Goods will be returned at Seller's expense. No Goods returned as defective shall be replaced without Buyer's written permission. Where re-work is required to meet specification requirements, such re-work shall be arranged for by Seller at no cost to Buyer. Payment for Goods shall not constitute acceptance thereof by Buyer nor shall Buyer's inspection or omission to inspect relieve Seller of its obligation to furnish all Goods in strict accordance with all terms and provisions of any Order.
5. Seller expressly warrants that all Goods covered by Orders will be fit and sufficient for the purpose intended, merchantable, of good design, material and workmanship, free from defects and will conform to applicable specifications, drawings, samples or descriptions.
6. Seller agrees to indemnify and hold harmless Buyer, its successors and assigns, against all damages, expense, claims, demands, actions, suits and proceedings for actual or alleged infringement of any patent, copyright or trademark by reason of the sale, use or incorporation into manufactured products, of the Goods furnished hereunder.
7. No order shall be assigned by Seller in whole or in part without the previous written consent of Buyer.
8. The remedies herein reserved shall be cumulative and additional to any other and further remedies provided in law or equity. No waiver of a breach of any provision of this contract shall constitute a waiver of any other breach.
9. The Seller shall not, without first obtaining the written consent of Buyer, in any manner advertise or publish the fact that Seller has contracted to furnish to Buyer the Goods herein mentioned. For failure to observe this provision, the Buyer shall have the right to cancel the contract resulting from acceptance of such Order without any further liability thereon.



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10. If Seller ceases to conduct its operations in the normal course of business including inability to meet its obligations as they mature, or if any proceedings under any bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for the benefit of creditors is made by Seller, Buyer may terminate this Order without liability, except for deliveries previously made.
11. Seller shall keep confidential all information; drawings, specifications or data furnished by Buyer, or prepared by Seller specifically in connection with the performance of this Order and shall not divulge or use such information, drawings, specifications or data to or for the benefit of any other party. Seller agrees that if the Goods covered by an Order are to be manufactured to design or technical data furnished by Buyer, the Seller shall not, without the prior written consent of Buyer, manufacture any such Goods except for and upon Order of the Buyer.
12. The obligations of Seller contained herein shall survive acceptance of the Goods and payment therefore by Buyer.
13. Buyer, the Buyer Customer, the Customers' Customer and Regulatory agencies shall be allowed the right of entry to determine and verify the quality of work, records and material at any place, including the plant of the Seller.
14. Seller understands their contribution to product conformity and safety as well as the importance of ethical behavior. Seller shall have a quality system meeting one of the following requirements as applicable:
 - a) AS9100, ISO 9001, or NADCAP current and verifiable certification
 - b) Supplier Survey (QFM-8.4.1.1) or Site Survey on file at Buyer prior to acceptance of productBuyer reserves the right to approve Seller based on requirements and resources.
15. Quality records must be maintained on file for a minimum of ten (10) years (unless otherwise specified) and readily retrievable upon request.
16. Verification by Buyer shall not resolve the Seller of the responsibility to provide acceptable product, nor shall it preclude subsequent rejections by Buyer.
17. All documentation supplied by Buyer will be destroyed upon completion of the contract. Buyer will not maintain records of documents issued to Seller.
18. Seller shall use only end item Customer approved processing sources.
19. Non-conforming product produced from Seller supplied material will be segregated, tagged and returned to Seller along with completed (Buyer) internal Non-Conformance Report. Documented cause and corrective action is required within 15 days.
20. The Seller shall use appropriate methods of handling, packaging and preservation to prevent damage of product in process and during delivery.
21. When required by Buyer contract or Purchase Order, the Seller shall provide control charts for applicable key characteristics. Seller shall also provide all other quality data reasonably requested by Buyer.
22. Material supplied by Seller against this contract must be purchased from approved sources of the end item users, that



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is, Buyer's customer.

23. All Orders shall be governed in all respects by the laws of the State of Missouri.
24. All work must be processed to the latest revision unless instructed otherwise on the Purchase Order.
25. FOD PREVENTION. Vendor shall maintain a FOD prevention program in accordance with the National Aerospace Standard NAS-412, Foreign Object Damage/Foreign Object Debris (FOD) Prevention.
26. COUNTERFEIT PARTS PREVENTION AND CONTROL PLAN. Vendor shall establish and maintain a Counterfeit Parts Prevention and Control Plan. The purpose of the plan shall be to prevent the delivery of counterfeit parts and control parts identified as counterfeit.
27. Vendor shall notify HTS of any changes in product and/or process, change of suppliers, change of facility location, change in company management, definition or configuration and obtain Buyers approval prior to shipping product.
28. PROCESSING CERTIFICATIONS. Per Purchase Order requirement, certifications must accompany product delivery. HTS reserves the right to refuse delivery of any shipment without applicable certifications. Vendor shall ensure that all products are inspected and validated by qualified personnel using acceptable monitoring and measuring equipment prior to shipment. Vendor shall ensure that all tools used for final acceptance are calibrated to NIST standards and equipment calibrations are current.
29. CALIBRATION/TEST. Suppliers of calibration and or Test services must furnish reports to the purchase order requirements and be traceable to the specific equipment or item being calibrated or tested. Traceability to NIST and/or other applicable standards must be supplied. Actual data must be supplied when applicable. Suppliers must be certified to ISO 17025.
30. MATERIAL SUPPLIERS must supply material to the purchase order requirement. If certified material is specified, original mill certifications are required with shipment. The supplier shall NOT provide material for which they are not certified or approved to supply by the final customer.
31. CONFLICT MINERALS. Supplier recognizes the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform Act and commits to not supply tin, tantalum, tungsten or gold from the DRC and adjoining countries. Supplier must make reasonable inquiry into the country of origin, perform due diligence of its supply chain and conduct risk assessment and mitigation actions necessary to implement the country of origin inquiry. Supplier shall also undertake measures to comply with amendments to the act.



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REVISION HISTORY

REV B - Added clauses #24 through #31, revised clause #14. (10/9/2013)

REV C - Updated Clause #15 FROM seven (7) year retention to ten (10) years. (9/14/2016)

REV D - Updated HTS address (4/21/2017)

REV E – Updated form # for AS9100 Rev D (1/14/18)

REV F – Updated Clause #14 to include supplier contribution to ethical behavior