

Technicut Tool Inc. Terms and Conditions of Purchase

1. **Contract Terms.** This purchase order is intended as an offer to purchase the goods or services specified on the face hereof upon the terms and conditions stated herein, and any reference to Seller's quotation or similar for is solely for the purpose of describing the goods. This offer expressly limits acceptance to the terms and conditions stated herein, and none of the terms and conditions stated herein may be added to, modified, superseded, or otherwise altered except in writing, delivered to Seller, and signed by an authorized representative of the Buyer. Each shipment received by Buyer from Seller shall be deemed to be only upon the terms and conditions stated herein, notwithstanding any terms and conditions that may appear in Seller's quotation, acknowledgment, invoice or other form, and notwithstanding Buyer's acceptance and/or payment of the goods. Seller to ship only quantities and materials specified on this purchase order. No substitutions or change in product, price, and/or process definition without permission from an authorized representative of Technicut Tool.
2. **Price.** If the price is incorrect STOP, request an updated purchase order before proceeding. DO NOT do any work you are not authorized to do. Technicut will only pay the stated price on the purchase order. If a specific price is not stated on the face hereof, the goods shall be sold at the price last quoted by Seller.
3. **Taxes.** The price stated on the face hereof shall be deemed to include any and all taxes and other governmental charges, now imposed or here after becoming effective, upon the production, sale, shipment, or use of the goods and Seller shall pay and discharge all such taxes and charges without reimbursement from Buyer.
4. **Payment Terms.** Invoices are to be submitted and shall specify the purchase order number that appears on the face hereof, the goods, the shipment date, and the method of shipment. Payment due dates and cash discounts, if any, shall be computed from the time of the receipt of the invoice or the goods, whichever occurs later. Technicut 's payment terms are NET 30 unless special arrangements are agreed to prior to the issuance of a purchase order.
5. **Delivery and the Risk of Loss.** All goods are to be furnished F.O.B. Ontario, Canada. The entire risk of loss, injury, or destruction of the goods, regardless of the F.O.B. point and cause, therefore, shall be borne by Seller until the goods are delivered to and accepted by Buyer. All deliveries are to be tagged with the purchase order number that appears on the face hereof. All orders are subject to weight and count.
6. **Inspection and Acceptance.** The goods shall be subject to inspection upon delivery, and the goods may be rejected for defects or faults revealed by such inspection, or by analysis, use, or further inspection at any time thereafter even though the goods may have been previously inspected and accepted. Rejected goods may be returned to Seller for rework at no charge to the customer. Transportation charges may be required to be paid by the seller resulting from the return of the rejected material. Test report(s) and certificate of conformance required at time of delivery, when applicable. First piece inspection (FAI) required by Technicut on machined parts when requested.
7. **Sub-Contracting.** Restrict sub-contracting without prior approval from Technicut. Seller must flow-down requirements of this order including customer requirements, when sub-contracting in accordance with AS9100 Rev. D.
8. **Documents and Records.** Seller to retain any/all quality records associated with this order in good ISO/AS practices. Documents be retained for 10 years minimum and documents/records to be shredded once they are ready for disposal.
9. **Competency of personnel.** Seller to ensure competency of personnel, including necessary qualification if requested. Seller to ensure that persons are aware of their contribution to product conformity, product safety, and the importance of ethical behavior.
10. **Changes.** If for any reasons changes to the processes, products, services or non-conforming product, including any external third parties, location of manufacturing for all suppliers must notify and seek pre-approval from Technicut. This will include any external parties/suppliers that may have been included in all supplier agreements with all suppliers.
11. **FOD.** Seller shall ensure that all products and materials are of new manufacture are free of Foreign Object Debris/Damage (FOD).
12. **Counterfeit Parts.** Seller agrees and shall ensure that Counterfeit work is not delivered to Technicut. Seller shall only purchase products to be delivered or incorporated as Work to Technicut directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain, work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Technicut. Seller shall immediately notify Technicut with the pertinent facts if seller becomes aware or suspects that is has furnished Counterfeit work. When requested by Technicut, seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
13. **Late Delivery.** Time is of the essence with respect to the delivery date specified on the face hereof. Technicut requires 100% On-Time Delivery, In the event delivery cannot be made by such delivery date, seller must notify the buyer in advance if you are unable to do so for any reason and provide a date that supplier can make.
14. **Compliance with Laws and regulations.** Seller further warrants that the goods will be produced, sold, priced, and delivered to Buyer in full compliance with any and all applicable federal, state, municipal and local laws, rules, regulations, ordinances, and orders existing at the time of the delivery of the goods. Seller will be compliant with export laws and regulations (ITAR) Seller's acceptance of this purchase contract confirms that:
 - a. It is not a foreign corporation,
 - b. It is not a representative of a foreign interest (RFI), and Seller agrees to notify Technicut of any change in status set forth above.
15. **Remedies.** The remedies specified herein for breach of warranty, or other default on the part of Seller, shall be cumulative and in addition to any other or further remedy provided by the UCC or other applicable law.
16. **General.** This writing is intended to be complete and exclusive treatment of the terms and conditions here of and shall be governed by the laws of Canada. No statement or writing, which makes specific reference hereto, and which has been signed by the party against whom enforcement thereof is sought.
17. **Right of Entry.** Seller agrees to give access to Technicut, Technicut's customer, and regulatory authorities to all facilities and records associated with this order the right of entry as required with at least a one- week notice.
18. **Other Terms.** Supplier agrees to meet expectations per "Dodd-Frank Conflict Minerals Statement" and the "Supplier". Seller to provide safety data sheets (SDS) when applicable.